

PRELIMINARY OFFICIAL STATEMENT DATED APRIL 1, 2026

In the opinion of Quarles & Brady LLP, Bond Counsel, assuming continued compliance with the requirements of the Internal Revenue Code of 1986, as amended, under existing law interest on the Bonds is excludable from gross income and is not an item of tax preference for federal income tax purposes; however, interest on the Bonds is taken into account in determining "adjusted financial statement income" for purposes of computing the federal alternative minimum tax imposed on Applicable Corporations (as defined in Section 59(k) of the Code). See "TAX EXEMPTION" herein for a more detailed discussion of some of the federal income tax consequences of owning the Bonds. The interest on the Bonds is not exempt from present Wisconsin income or franchise taxes.

The Bonds shall not be "qualified tax-exempt obligations".

New Issue

Rating: Moody's Investors Service, Inc. "A3"

CITY OF COLUMBUS, WISCONSIN (Columbia and Dodge Counties)

\$5,280,000* ELECTRIC AND WATERWORKS SYSTEM REVENUE BONDS, SERIES 2026A

BID OPENING: April 8, 2026, 09:30 A.M., C.T.

CONSIDERATION: April 8, 2026, 6:30 P.M., C.T.

PURPOSE/AUTHORITY/SECURITY: The \$5,280,000* Electric and Waterworks System Revenue Bonds, Series 2026A (the "Bonds") are being issued pursuant to Section 66.0621, Wisconsin Statutes, by the City of Columbus, Wisconsin (the "City"), to provide funds for the public purpose of financing improvements and extensions to the City's Electric System and Waterworks System (collectively, the "Utility System"). The Bonds are not general obligations of the City but are payable only from and secured by a pledge of income and revenue to be derived from the operation of the Utility System. The Bonds are being issued on a parity with the City's outstanding Electric and Waterworks System Revenue Bonds, Series 2016A, dated June 8, 2016. Delivery is subject to receipt of an approving legal opinion of Quarles & Brady LLP, Milwaukee, Wisconsin.

DATE OF BONDS: April 23, 2026

MATURITY: May 1 as follows:

<u>Year</u>	<u>Amount*</u>	<u>Year</u>	<u>Amount*</u>	<u>Year</u>	<u>Amount*</u>
2027	\$85,000	2034	\$250,000	2041	\$300,000
2028	205,000	2035	255,000	2042	310,000
2029	210,000	2036	265,000	2043	325,000
2030	215,000	2037	255,000	2044	340,000
2031	225,000	2038	265,000	2045	360,000
2032	235,000	2039	275,000	2046	375,000
2033	245,000	2040	285,000		

***MATURITY ADJUSTMENTS:** The City reserves the right to increase or decrease the principal amount of the Bonds on the day of sale, in increments of \$5,000 each. Increases or decreases may be made in any maturity. If any principal amounts are adjusted, the purchase price proposed will be adjusted to maintain the same gross spread per \$1,000.

TERM BONDS: See "Term Bond Option" herein.

INTEREST: May 1, 2027 and semiannually thereafter.

OPTIONAL REDEMPTION: Bonds maturing on May 1, 2035 and thereafter are subject to call for prior optional redemption on May 1, 2034 or any date thereafter, at a price of par plus accrued interest to the date of optional redemption.

MINIMUM BID: \$5,214,000.

GOOD FAITH DEPOSIT: A good faith deposit in the amount of \$105,600 shall be made by the winning bidder by wire transfer of funds.

PAYING AGENT: Bond Trust Services Corporation.

BOND COUNSEL &

DISCLOSURE COUNSEL: Quarles & Brady LLP.

MUNICIPAL ADVISOR: Ehlers and Associates, Inc.

BOOK-ENTRY-ONLY: See "Book-Entry-Only System" herein (unless otherwise specified by the purchaser).

This Preliminary Official Statement and the information contained herein are subject to completion and amendment. These securities may not be sold nor may offers to buy be accepted prior to the time the Official Statement is delivered in final form. Under no circumstances shall this Preliminary Official Statement constitute an offer to sell or the solicitation of an offer to buy these securities in any jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of any such jurisdiction. This Preliminary Official Statement is in a form deemed final as of its date for purposes of SEC Rule 15c2-2(b)(1), but is subject to revision, amendment and completion in a Final Official Statement.



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REPRESENTATIONS

No dealer, broker, salesperson or other person has been authorized by the City to give any information or to make any representation other than those contained in this Official Statement and, if given or made, such other information or representations must not be relied upon as having been authorized by the City. *This Official Statement does not constitute an offer to sell or a solicitation of an offer to buy any of the Bonds in any jurisdiction to any person to whom it is unlawful to make such an offer or solicitation in such jurisdiction.*

This Official Statement is not to be construed as a contract with the underwriter (Syndicate Manager). Statements contained herein which involve estimates or matters of opinion are intended solely as such and are not to be construed as representations of fact. Ehlers and Associates, Inc. prepared this Official Statement and any addenda thereto relying on information of the City and other sources for which there is reasonable basis for believing the information is accurate and complete. Quarles & Brady LLP will serve as Disclosure Counsel to the City with respect to the Bonds. Compensation of Ehlers and Associates, Inc., payable entirely by the City, is contingent upon the delivery of the Bonds.

COMPLIANCE WITH S.E.C. RULE 15c2-12

Certain municipal obligations (issued in an aggregate amount over \$1,000,000) are subject to Rule 15c2-12 promulgated by the Securities and Exchange Commission pursuant to the Securities Exchange Act of 1934, as amended (the "Rule").

Preliminary Official Statement: This Official Statement was prepared for the City for dissemination to potential investors. Its primary purpose is to disclose information regarding the Bonds to prospective underwriters in the interest of receiving competitive proposals in accordance with the sale notice contained herein. Unless an addendum is posted prior to the sale, this Official Statement shall be deemed nearly final for purposes of the Rule subject to completion, revision and amendment in a Final Official Statement as defined below.

Review Period: This Official Statement has been distributed to prospective bidders for review. Comments or requests for the correction of omissions or inaccuracies must be submitted to Ehlers and Associates, Inc. at least two business days prior to the sale. Requests for additional information or corrections in the Official Statement received on or before this date will not be considered a qualification of a proposal received from an underwriter. If there are any changes, corrections or additions to the Official Statement, interested bidders will be informed by an addendum prior to the sale.

Final Official Statement: Copies of the Final Official Statement will be delivered to the underwriter (Syndicate Manager) within seven business days following the proposal acceptance.

Continuing Disclosure: Subject to certain exemptions, issues in an aggregate amount over \$1,000,000 may be required to comply with provisions of the Rule which require that underwriters obtain from the issuers of municipal securities (or other obligated party) an agreement for the benefit of the owners of the securities to provide continuing disclosure with respect to those securities. This Official Statement describes the conditions under which the City is required to comply with the Rule.

CLOSING CERTIFICATES

Upon delivery of the Bonds, the underwriter (Syndicate Manager) will be furnished with the following items: (1) a certificate of the appropriate officials to the effect that at the time of the sale of the Bonds and all times subsequent thereto up to and including the time of the delivery of the Bonds, this Official Statement did not and does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading; (2) a receipt signed by the appropriate officer evidencing payment for the Bonds; (3) a certificate evidencing the due execution of the Bonds, including statements that (a) no litigation of any nature is pending, or to the knowledge of signers, threatened, restraining or enjoining the issuance and delivery of the Bonds, (b) neither the corporate existence or boundaries of the City nor the title of the signers to their respective offices is being contested, and (c) no authority or proceedings for the issuance of the Bonds have been repealed, revoked or rescinded; and (4) a certificate setting forth facts and expectations of the City which indicates that the City does not expect to use the proceeds of the Bonds in a manner that would cause them to be arbitrage bonds within the meaning of Section 148 of the Internal Revenue Code of 1986, as amended, or within the meaning of applicable Treasury Regulations.

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CITY OF COLUMBUS COMMON COUNCIL

		<u>Term Expires</u>
Joseph Hammer	Mayor	April 2027
Molly Finkler	Aldersperson	April 2027
Michael Lawson	Aldersperson	April 2026*
Marcus Meier	Aldersperson	April 2027
Trina Reid	Aldersperson	April 2027
Amy Roelke	Aldersperson	April 2026*
Ryan Rostad	Aldersperson	April 2026*

*Seeking re-election at the April 7, 2026 election.

ADMINISTRATION

Kendra Riddle, City Treasurer/Finance Director

Matt Amundson, City Administrator

Susan Caine, City Clerk

Randall Myrum, Utilities Director

Michelle Kaltenberg, Utilities Business Manager

Jerry Lentz, Director of Public Works

PROFESSIONAL SERVICES

Boardman & Clark LLP, City Attorney, Madison, Wisconsin

Quarles & Brady LLP, Bond Counsel and Disclosure Counsel, Milwaukee, Wisconsin

Ehlers and Associates, Inc., Municipal Advisors, Waukesha, Wisconsin
(Other office located in Minneapolis, Minnesota)

INTRODUCTORY STATEMENT

This Official Statement contains certain information regarding the City of Columbus, Wisconsin (the "City") and the issuance of its \$5,280,000* Electric and Waterworks System Revenue Bonds, Series 2026A (the "Bonds"). Any descriptions or summaries of the Bonds, statutes, or documents included herein are not intended to be complete and are qualified in their entirety by reference to such statutes and documents and the form of the Bonds to be included in the resolution authorizing the issuance and sale of the Bonds ("Authorizing Resolution") to be adopted by the Common Council on April 8, 2026.

Inquiries may be directed to Ehlers and Associates, Inc. ("Ehlers" or the "Municipal Advisor"), Waukesha, Wisconsin, (262) 785-1520, the City's municipal advisor. A copy of this Official Statement may be downloaded from Ehlers' web site at www.ehlers-inc.com by connecting to the Bond Sales link and following the directions at the top of the site.

THE BONDS

GENERAL

The Bonds will be issued in fully registered form as to both principal and interest in denominations of \$5,000 each or any integral multiple thereof, and will be dated, as originally issued, as of April 23, 2026. The Bonds will mature on May 1 in the years and amounts set forth on the cover of this Official Statement. Interest will be payable on May 1 and November 1 of each year, commencing May 1, 2027, to the registered owners of the Bonds appearing of record in the bond register as of the close of business on the 15th day (whether or not a business day) of the immediately preceding month. Interest will be computed upon the basis of a 360-day year of twelve 30-day months and will be rounded pursuant to rules of the Municipal Securities Rulemaking Board ("MSRB"). All Bonds of the same maturity must bear interest from the date of issue until paid at a single, uniform rate. Each rate must be expressed in an integral multiple of 5/100 or 1/8 of 1%.

Unless otherwise specified by the purchaser, the Bonds will be registered in the name of Cede & Co., as nominee for The Depository Trust Company, New York, New York ("DTC"). (See "Book-Entry-Only System" herein.) As long as the Bonds are held under the book-entry system, beneficial ownership interests in the Bonds may be acquired in book-entry form only, and all payments of principal of, premium, if any, and interest on the Bonds shall be made through the facilities of DTC and its participants. If the book-entry system is terminated, principal of, premium, if any, and interest on the Bonds shall be payable as provided in the Authorizing Resolution.

The City has selected Bond Trust Services Corporation, Minneapolis, Minnesota ("BTSC"), to act as paying agent (the "Paying Agent"). BTSC and Ehlers are affiliate companies. The City will pay the charges for Paying Agent services. The City reserves the right to remove the Paying Agent and to appoint a successor.

OPTIONAL REDEMPTION

At the option of the City, the Bonds maturing on or after May 1, 2035 shall be subject to optional redemption prior to maturity on May 1, 2034 or any date thereafter, at a price of par plus accrued interest to the date of optional redemption.

*Preliminary, subject to change.

Redemption may be in whole or in part of the Bonds subject to prepayment. If redemption is in part, the selection of the amounts and maturities of the Bonds to be redeemed shall be at the discretion of the City. If only part of the Bonds having a common maturity date are called for redemption, then the City or Paying Agent, if any, will notify DTC of the particular amount of such maturity to be redeemed. DTC will determine by lot the amount of each participant's interest in such maturity to be redeemed and each participant will then select by lot the beneficial ownership interest in such maturity to be redeemed.

Notice of such call shall be given by sending a notice by registered or certified mail, facsimile or electronic transmission, overnight delivery service or in any other manner required by DTC, not less than 30 days nor more than 60 days prior to the date fixed for redemption to the registered owner of each Bond to be redeemed at the address shown on the registration books.

AUTHORITY; PURPOSE

The Bonds are being issued pursuant to Section 66.0621, Wisconsin Statutes, by the City, to provide funds for the public purpose of financing improvements and extensions to the City's Electric System and Waterworks System (collectively, the "Utility System").

ESTIMATED SOURCES AND USES*

Sources		
Par Amount of Bonds	\$5,280,000	
Transfers from Prior Issue Debt Service Reserve Fund	384,376	
Estimated Interest Earnings	<u>36,578</u>	
Total Sources		\$5,700,954
Uses		
Estimated Underwriter's Discount	\$66,000	
Costs of Issuance	127,550	
Deposit to Debt Service Reserve Fund	627,525	
Deposit to Project Construction Fund	4,877,090	
Rounding Amount	<u>2,789</u>	
Total Uses		\$5,700,954

*Preliminary, subject to change.

SECURITY

This section is a summary of security provisions. A detailed explanation of the security provisions is contained in the Authorizing Resolution, the form of which is attached as Appendix E hereto.

Source of Payment: THE BONDS ARE NOT GENERAL OBLIGATIONS OF THE CITY but are payable only out of "Net Revenues" that are pledged to the Special Redemption Fund provided for in the Authorizing Resolution (the "Special Redemption Fund"). Net Revenues are defined as all revenues of the Utility System derived from any source less operation and maintenance expenses, excluding depreciation, debt service, tax equivalents and capital expenditures. In the case of the electric utility portion of the Utility System, operation and maintenance expenses includes all costs of purchasing, producing and delivering electric power, including obligations under the Power

Supply Contract between the City and WPPI Energy, a municipal electric company organized under Section 66.0825, Wisconsin Statutes.

In the Authorizing Resolution, the City covenants to deposit Net Revenues in an amount sufficient to pay principal of and interest on the Bonds and the Electric and Waterworks System Revenue Bonds, Series 2016A, dated June 8, 2016 (the "2016 Bonds") in the Special Redemption Fund and to use the funds in the Special Redemption Fund only for the purpose of paying principal of and interest on the Bonds and the 2016 Bonds. The claim of owners of the Bonds with respect to the Special Redemption Fund is on a parity with the claim granted to the owners of the 2016 Bonds.

Rate Covenant: The City covenants to establish, charge and collect such lawfully established rates and charges for the services provided by the Utility System so that Net Revenues (i.e. gross revenues derived from said rates and charges less all costs of operation and maintenance, exclusive of debt service, depreciation, tax equivalents and capital expenditures) will be not less than 1.25 times the total amount of principal and interest coming due on all outstanding bonds payable from the income and revenues of the Utility System each year.

Additional Bonds Test: The City reserves the right and privilege to issue additional revenue bonds, from time to time, payable from Utility System revenues and issued on a parity with any outstanding Utility System revenue bonds. Before such additional parity bonds are issued, the City must demonstrate that either (1) the net revenues of the Utility System during the fiscal year next preceding the issuance of such additional revenue bonds were equal to at least 1.25 times the average combined annual amount that will be required in any fiscal year for principal and interest on all outstanding bonds and the bonds then proposed to be issued, or (2) that for each of the three fiscal years commencing with the fiscal year following that in which the projects financed by the additional bonds are to be completed, the projected net revenues of the Utility System will be in an amount not less than 125% of the projected maximum annual debt service on all outstanding bonds payable from the revenues of the System and on the bonds then to be issued.

Service to City: The reasonable cost and value of any service rendered to the City by the Utility System by furnishing electric and waterworks services for public purposes, including reasonable health protection charges, shall be charged against the City and shall be paid by it in monthly installments as the service accrues, out of the current revenues of the City collected or in the process of collection, exclusive of the revenues of the Utility System, and out of the tax levy of the City made by it to raise money to meet its necessary current expenses. The reasonable cost and value of such service to the City in each year shall be in an amount which, together with Revenues of the System, will produce Net Revenues equivalent to not less than 1.25 times the Annual Debt Service Requirement, as defined in the Authorizing Resolution. Such compensation for such service rendered to the City shall, in the manner provided in the Authorizing Resolution, be paid into the separate and special funds described in the Authorizing Resolution. However, such payment is subject to (a) annual appropriations by the Common Council therefor, (b) approval of the Wisconsin Public Service Commission, or successors to its function, if necessary, and (c) applicable levy limits, if any; and neither the Authorizing Resolution nor such payment shall be construed as constituting an obligation of the City to make any such appropriation over and above the reasonable cost and value of services rendered to the City and its inhabitants or to make any subsequent payment over and above such reasonable cost and value.

Reserve Account: To additionally secure the payment of principal of and interest on the 2016 Bonds and the Bonds, the City covenants and agrees that upon issuance of the Bonds an amount sufficient to make the amount on deposit in the Reserve Account equal to the "Reserve Requirement" shall be deposited into the Reserve Account and shall be maintained therein. The Reserve Requirement means an amount, determined as of the date of issuance of the Bonds, equal to the least of (a) the amount required to be on deposit in the Reserve Account prior to the issuance of the Bonds, plus the amount permitted to be deposited therein from proceeds of the Bonds pursuant to Section 148(d)(1) of the Code and Regulations; (b) the maximum annual debt service on the 2016 Bonds and the Bonds in any bond year; and (c) 125% of average annual debt service on the 2016 Bonds and the Bonds; provided, however, after the 2016 Bonds are no longer outstanding, that on an ongoing basis it shall never exceed the remaining maximum annual principal and interest due on the Bonds and Parity Bonds in any bond year. If Parity Bonds which

are to be secured by the Reserve Account are issued, the Reserve Requirement will be calculated by considering the debt service on all of the outstanding bonds secured by the Reserve Account and the Parity Bonds then to be issued.

UTILITY SYSTEM REVENUE DEBT OUTSTANDING

All outstanding Utility System revenue debt of the City is listed on the following page. The debt service coverage ratios included on this page are calculated using draft audited 2025 Net Revenues. No guarantee can be given that the Net Revenues in future years will be the same as the Net Revenues in 2025, and future Net Revenues may be materially different.

HISTORIC UTILITY SYSTEM DEBT SERVICE COVERAGES

The exhibit on the Page 6 presents the historic debt service coverages of the Utility System.

City of Columbus, Wisconsin
Schedule of Bonded Indebtedness
Revenue Debt Secured by Utility System Revenues
(As of 04/23/2026)

		Electric and Waterworks System Revenue Bonds Series 2016A		Electric and Waterworks System Revenue Bonds Series 2026A								Draft audited 2025 Net Revenue Available for Debt Service**
Dated Amount		06/08/2016 \$3,915,000		04/23/2026 \$5,280,000*								\$1,526,460
Maturity		05/01		05/01								
Calendar Year Ending	Principal	Interest	Principal	Estimated Interest	Total Principal	Total Interest	Total P & I	Principal Outstanding	% Paid	Calendar Year Ending	Coverage	
2026	290,000	56,450	0	0	290,000	56,450	346,450	7,065,000	3.94%	2026	4.41	
2027	155,000	51,225	85,000	321,153	240,000	372,378	612,378	6,825,000	7.21%	2027	2.49	
2028	160,000	46,500	205,000	205,710	365,000	252,210	617,210	6,460,000	12.17%	2028	2.47	
2029	165,000	41,625	210,000	198,863	375,000	240,488	615,488	6,085,000	17.27%	2029	2.48	
2030	170,000	36,600	215,000	191,850	385,000	228,450	613,450	5,700,000	22.50%	2030	2.49	
2031	175,000	31,425	225,000	184,590	400,000	216,015	616,015	5,300,000	27.94%	2031	2.48	
2032	180,000	26,100	235,000	176,941	415,000	203,041	618,041	4,885,000	33.58%	2032	2.47	
2033	185,000	20,625	245,000	168,840	430,000	189,465	619,465	4,455,000	39.43%	2033	2.46	
2034	195,000	14,925	250,000	160,300	445,000	175,225	620,225	4,010,000	45.48%	2034	2.46	
2035	200,000	9,000	255,000	151,271	455,000	160,271	615,271	3,555,000	51.67%	2035	2.48	
2036	200,000	3,000	265,000	141,715	465,000	144,715	609,715	3,090,000	57.99%	2036	2.50	
2037			255,000	131,904	255,000	131,904	386,904	2,835,000	61.45%	2037	3.95	
2038			265,000	121,563	265,000	121,563	386,563	2,570,000	65.06%	2038	3.95	
2039			275,000	110,355	275,000	110,355	385,355	2,295,000	68.80%	2039	3.96	
2040			285,000	98,453	285,000	98,453	383,453	2,010,000	72.67%	2040	3.98	
2041			300,000	85,725	300,000	85,725	385,725	1,710,000	76.75%	2041	3.96	
2042			310,000	72,228	310,000	72,228	382,228	1,400,000	80.97%	2042	3.99	
2043			325,000	57,936	325,000	57,936	382,936	1,075,000	85.38%	2043	3.99	
2044			340,000	42,638	340,000	42,638	382,638	735,000	90.01%	2044	3.99	
2045			360,000	26,273	360,000	26,273	386,273	375,000	94.90%	2045	3.95	
2046			375,000	8,906	375,000	8,906	383,906	0	100.00%	2046	3.98	
	2,075,000	337,475	5,280,000	2,657,211	7,355,000	2,994,686	10,349,686					

* Preliminary, subject to change.

**The debt service coverage ratios included on this page are calculated using draft audited 2025 Net Revenues. No guarantee can be given that the Net Revenues in future years will be the same as the Net Revenues in 2025 and future Net Revenues may be materially different.

CITY OF COLUMBUS, WISCONSIN

HISTORIC UTILITY SYSTEM DEBT SERVICE COVERAGES

The following table sets for the historic comparison of Net Revenues and debt service secured by revenues of the Utility System for the audited three-year period ended December 31, 2024 and the draft audited year ended December 31, 2025.

	<u>Audited 2022</u>	<u>Audited 2023</u>	<u>Audited 2024</u>	<u>DRAFT Audited 2025</u>
Operating Revenues				
Water and Light Service Fees	\$ 9,837,775	\$ 9,338,383	\$ 9,580,787	\$ 10,211,826
Other Operating Revenues	<u>109,857</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Operating Revenues	9,947,632	9,338,383	9,580,787	10,211,826
Operating Expenses				
Operation and Maintenance	8,138,129	8,083,476	7,856,081	8,807,173
Depreciation and Amortization	<u>835,437</u>	<u>931,214</u>	<u>956,561</u>	<u>993,792</u>
Total Operating Expenses	<u>8,973,566</u>	<u>9,014,690</u>	<u>8,812,642</u>	<u>9,800,965</u>
Operating Income	974,066	323,693	768,145	410,861
Plus:				
Depreciation and Amortization	835,437	931,214	956,561	993,792
Interest Income	<u>65,124</u>	<u>133,746</u>	<u>141,697</u>	<u>121,807</u>
Net Revenues Available for Debt Service	\$ 1,874,627	\$ 1,388,653	\$ 1,866,403	\$ 1,526,460
Debt Service				
2016 Water & Light Rev Bonds	\$ 364,600	\$ 358,900	\$ 358,150	\$ 357,300
2016 WPPI	<u>\$ 26,172</u>	<u>\$ 26,172</u>	<u>\$ 26,172</u>	<u>\$ 26,172</u>
Total Debt Service	\$ 390,772	\$ 385,072	\$ 384,322	\$ 383,472
Debt Service Coverage	4.80	3.61	4.86	3.98

DESCRIPTION OF WATERWORKS SYSTEM

The City operates a water distribution system (the “Waterworks System”) which operates under service rules established by the Wisconsin Public Service Commission (“Wpsc”), which in turn regulates the rates charged. The City owns, operates and maintains the Waterworks System. The Waterworks System, established in 1899, is governed by the Columbus Water & Light Commission which consists of seven total members. Five members are appointed by the Mayor, subject to approval of the Common Council. The Mayor and a representative from the Common Council are also members of the Commission. The Commission is the policy making body of the Waterworks System, overseeing all projects and programs, reviewing and approving the budget, and determining Waterworks System projects. Waterworks System operations are directed by the Utilities Director.

The Waterworks System consists of three wells with electric pumping equipment and a water distribution system. The wells have an actual capacity of 2,808,000 gallons per day. The wells pumped an average of 684,000 gallons per day in 2025. The maximum gallons pumped in any one day during 2025 was 994,000 gallons and the minimum gallons pumped in any one day was 391,000 gallons. In addition, the Waterworks System owns one steel elevated storage tanks and two concrete reservoirs with a total storage capacity of 790,000 gallons.

The Waterworks System includes other related appurtenances including 181,188 feet of various types of 2"-16" water mains; 2,201 feet of various types of 5/8"-10" water service lines, 2,758 utility-owned meters; and 324 hydrants.

History of Water Customers¹

Year	Residential	Commercial	Other Customers	Industrial	Multi-Family	Total
2021	2,032	215	27	9	33	2,316
2022	2,064	224	29	10	34	2,361
2023	2,040	223	29	11	33	2,336
2024	2,050	228	29	11	33	2,351
2025	2,051	228	27	11	33	2,350

Source: Wpsc Annual Reports

History of Water Billings by Customer Type²

Year	Residential	Commercial	Industrial	Other Services	Multi-Family	Total Billings
2021	\$765,830	\$226,279	\$33,821	\$515,327	\$58,346	\$1,599,603
2022	749,753	217,397	49,168	507,795	57,339	1,581,452
2023	770,879	194,634	62,109	509,640	57,592	1,594,854
2024	823,015	216,668	62,818	551,742	66,518	1,720,761
2025	827,214	239,150	53,793	558,871	65,323	1,744,351

Source: Wpsc Annual Reports

¹Excludes fire protection services.

²Includes fire protection services.

History of Water Sales

Year	No. of Customers¹	Gallons Sold (in 000's)²	Total Billings²
2021	2,316	117,010	\$1,599,608
2022	2,361	113,293	1,581,452
2023	2,336	114,911	1,594,854
2024	2,351	116,659	1,720,761
2025	2,350	115,353	1,744,351

Source: Wpsc Annual Reports

2025 Larger Water Customers

Total 2025 Cubic Feet Sold:	15,420,453
Total 2025 Billings:	\$1,744,351

Customer	Cubic Feet Sold	Billings	% of Total Billings
Prairie Ridge Health Clinic	411,603	\$23,885	1.37%
City Park Aquatic Center	355,517	22,849	1.31%
GAR Plastics, LLC	301,970	17,189	0.99%
Ottery Brothers LLC	324,775	16,725	0.96%
Columbus Health and Rehab	237,116	14,413	0.83%
Eggers Imprints LLC	225,887	11,725	0.67%
Kwik Trip	227,842	11,700	0.67%
GD Roberts	167,946	10,541	0.60%
Enerpac USA	138,279	10,128	0.58%
Lycon	146,759	8,814	0.51%

Source: City

¹Excludes fire protection services.

²Includes fire protection services.

Water Rates and Charges

Rates and charges for the Waterworks System are subject to approval by the WPSC. The following monthly water rates were adopted on August 12, 2025 and became effective September 1, 2025:

General Service - Metered

<u>Monthly Volume Charge</u>			<u>Minimum Monthly Charge</u>	
		<u>Charge per 100 cubic feet</u>	<u>Meter Size</u>	<u>Charge</u>
First	1,250 Cubic Feet	\$5.24	5/8"	\$15.02
Next	11,250 Cubic Feet	\$5.02	3/4"	15.02
Over	12,500 Cubic Feet	\$4.34	1"	21.14
			1-1/4"	27.25
			1-1/2"	33.37
			2"	44.50
			3"	68.97
			4"	101.23
			6"	170.20
			8"	251.40
			10"	357.08
			12"	463.87

Average Bill for Residential Service in 2025

**Avg. Monthly Usage
in Cubic Feet**

369

Avg. Monthly Bill

\$33.61

Bills for water service are rendered monthly and become due and payable upon issuance following the period for which service is rendered. A late payment charge of 1 percent per month will be added to bills not paid within 20 days of issuance. This late payment charge will be applied to the total unpaid balance for utility service, including unpaid late payment charges. The late payment charge is applicable to all customers. The utility customer may be given a written notice that the bill is overdue no sooner than 20 days after the bill is issued. Unless payment or satisfactory arrangement for payment is made within the next 10 days, service may be disconnected pursuant to Wis. Adm. Code ch. PSC 185.

DESCRIPTION OF ELECTRIC SYSTEM

The Electric System is a separate enterprise fund. The Electric System operates under service rules established by the WPSC, which in turn regulates the rates charged. The City owns, operates and maintains the municipal Electric System consisting of one substation and a distribution plant for its service area which includes the City and a small portion of the Town of Elba. The Electric System, established in 1899, is governed by the Columbus Water & Light Commission. The Commission is the policy making body of the Electric System, overseeing all projects and programs, reviewing and approving the budget, and determining Electric System projects. Electric System operations are directed by the Commission Superintendent.

The City purchases its power and energy requirements from WPPI Energy under a contract that expires in 2055. The cost of purchasing power and energy requirements is treated as an operation and maintenance expense under the Authorizing Resolution. See “THE BONDS - SECURITY - Source of Payment’ herein.

The physical plant of the Electric System consists of a general plant and distribution plant and various maintenance and service vehicles.

History of Electric Sales

Year	Number of Customers	Total kWh (000’s)	Total Billings
2021	2,863	74,215	\$7,494,124
2022	2,910	76,282	8,256,323
2023	2,909	73,023	7,635,460
2024	2,930	75,305	7,769,656
2025	2,931	76,797	8,342,586

Source: WPSC Annual Reports

History of Electric Meter Connections by Customer Type

	2021	2022	2023	2024	2025
Residential	2,390	2,454	2,453	2,459	2,468
Small Commercial	32	30	27	31	33
Large Commercial	9	9	11	11	10
Industrial Power	3	3	3	3	3
Commercial	413	398	399	400	401
Public Street & Highway	<u>16</u>	<u>16</u>	<u>16</u>	<u>16</u>	<u>16</u>
Total	2,863	2,910	2,909	2,920	2,931

Source: WPSC Annual Reports

History of Electric Billings by Customer Type

	2021	2022	2023	2024	2025
Residential	\$2,397,569	\$2,529,254	\$2,378,917	\$2,356,044	\$2,486,674
Small Commercial	918,257	963,229	840,404	825,823	928,927
Large Commercial	714,983	841,592	812,387	823,157	846,717
Industrial Power	2,471,420	2,823,105	2,529,997	2,720,355	2,955,346
Commercial	872,898	976,850	951,213	916,325	993,297
Public Street & Highway	<u>118,997</u>	<u>122,293</u>	<u>122,542</u>	<u>127,952</u>	<u>131,625</u>
Total	\$7,494,124	\$8,256,323	\$7,635,460	\$7,769,656	\$8,342,586

Source: WPSC Annual Reports

History of Electricity Produced, Purchased and Cost

Year	kWh Purchased (000's)	Cost of kWh Purchased
2021	76,234	\$5,841,099
2022	78,030	6,613,233
2023	74,881	5,963,618
2024	76,772	5,876,297
2025	78,723	6,445,404

Source: WPSC Annual Reports

History of Peak Demand

Year	Peak Demand (kW)
2021	16,381
2022	16,303
2023	16,885
2024	16,592
2025	16,209

Source: WPSC Annual Reports

2025 Larger Electric Customers

Total 2025 kWh Sold: 76,797,000

Total 2025 Billings: \$8,342,586

Customer	kWh Sold	Billings	% of Total Billings
American Packaging Corp.	20,434,204	\$1,846,301	22.13%
GAR Plastics, LLC	5,921,685	575,959	6.90%
Prairie Ridge Health	6,370,429	552,598	6.62%
GD Roberts	1,716,146	180,873	2.17%
Enerpac USA	1,782,082	171,694	2.06%
Columbus Wastewater Treatment Plant	832,501	78,700	0.94%
Columbus Pick n' Save	799,674	76,830	0.92%
Columbus High School	659,942	75,154	0.90%
Kwik Trip	730,243	71,083	0.85%
Columbus Health & Rehab	631,306	57,220	0.69%

Source: City

Electric Rates and Charges

Electric rates are subject to approval by the WPSC. The following Electric rates and charges have been in effect since February 29, 2024. Billings for all customers are rendered monthly. A charge of 1% per month will be added to bills not paid within 20 days from date of issuance. The late payment charge shall be applied to the total unpaid balance for utility service, including unpaid payment charges. This charge is applied to all customers. Unless payment or satisfactory arrangement for payment is made after written notice is given, service may be disconnected pursuant to the Wisconsin Adm. Code, section 113. Pursuant to City Ordinance, the City places delinquent electric bills on the property tax roll against the property that was furnished with the electric service.

Monthly Charge	Residential (a)	General Service (b)	Small Power (c)	Large Power (d)	Industrial Power (e)
Customer Charge			\$75.00	\$200.00	\$250.00
Single Phase	\$9.00	\$10.00			
Three Phase	\$16.00	\$17.00			
Distribution Demand Charge per kW of Max. Demand			\$1.50	\$1.75	\$2.00
Demand Charge per kW of billed demand			\$9.00	\$11.00	\$13.00
Energy Charge per kWh month	\$0.11920	\$0.12130			
On-peak	\$0.19920	\$0.20270	\$0.08660	\$0.08450	\$0.08250
Off-peak	\$0.06860	\$0.06980	\$0.06660	\$0.05100	\$0.04830

(a) Residential single-phase customers for ordinary household purposes

(b) Commercial, institutional, government, farm and other single and three-phase customers

(c) Maximum Measured Demand in excess of 50 kW but not greater than 200 kW

(d) Monthly Maximum Measured Demand is in excess of 200 kW but not greater than 1,000 kW

(e) Monthly Maximum Measured Demand in excess of 1,000 kW

Average Bill for Residential Service in 2025

**Avg. Monthly Usage
in kWh**

657

Avg. Monthly Bill

\$83.96

PCAC (Purchase Power Cost Adjustment Clause): All metered rates are subject to a positive or negative power cost adjustment charge equivalent to the amount by which the current cost of power (per kilowatt-hour of sales) is more or less than the base cost of power purchased (per kilowatt-hour of sales).

The current cost per kilowatt-hour of energy billed is equal to the adjusted cost of power purchased for the most recent month divided by the kilowatt-hours of energy sold. The monthly adjustment is equal to the current cost less the base cost. The base cost of power is \$0.0878 per kilowatt-hour.

RATING

The City's Electric and Waterworks System received a rating of "A3" by Moody's Investors Service, Inc. ("Moody's"). Such rating reflects only the views of such organization and explanations of the significance of such rating may be obtained from Moody's.

Generally, a rating agency bases its rating on the information and materials furnished to it and on investigations, studies and assumptions of its own. There is no assurance that such rating will continue for any given period of time or that it will not be revised downward or withdrawn entirely by such rating agency, if in the judgment of such rating agency circumstances so warrant. Any such downward revision or withdrawal of such rating may have an adverse effect on the market price of the Bonds.

Such rating is not to be construed as a recommendation of the rating agency to buy, sell or hold the Bonds, and the rating assigned by the rating agency should be evaluated independently. Except as may be required by the Disclosure Undertaking described under the heading "CONTINUING DISCLOSURE" neither the City nor the underwriter undertake responsibility to bring to the attention of the owner of the Bonds any proposed changes in or withdrawal of such rating or to oppose any such revision or withdrawal.

CONTINUING DISCLOSURE

In order to assist brokers, dealers, and municipal securities dealers, in connection with their participation in the offering of the Bonds, to comply with Rule 15c2-12 promulgated by the Securities and Exchange Commission, pursuant to the Securities and Exchange Act of 1934, as amended (the "Rule"), the City shall agree to provide certain information to the Municipal Securities Rulemaking Board ("MSRB") through its Electronic Municipal Market Access ("EMMA") system, or any system that may be prescribed in the future. The Rule was last amended, effective February 27, 2019, to include an expanded list of material events. The Disclosure Undertaking includes the two new material events effective February 27, 2019 under the Rule.

On the date of issue and delivery of the Bonds, the City shall execute and deliver a Continuing Disclosure Certificate, under which the City will covenant for the benefit of holders including beneficial holders, to provide electronically, or in a manner otherwise prescribed, certain financial information annually and to provide notices of the occurrence of certain events enumerated in the Rule (the "Disclosure Undertaking"). The details and terms of the Disclosure Undertaking for the City are set forth in Appendix D. Such Disclosure Undertaking will be in substantially the form attached hereto.

A failure by the City to comply with the Disclosure Undertaking will not constitute an event of default on the Bonds. However, such a failure may adversely affect the transferability and liquidity of the Bonds and their market price.

The City failed to timely file notice of the incurrence of financial obligations incurred in December 2021 and June 2024. Except to the extent that the preceding is deemed to be material, the City believes it has not failed to comply in the previous five years in all material respects with its prior undertakings under the Rule. The City has reviewed its continuing disclosure responsibilities, including the two new material events, to help ensure compliance in the future. Ehlers is currently engaged as dissemination agent for the City.

LEGAL MATTERS

An opinion as to the validity of the Bonds and the exemption from federal taxation of the interest thereon will be furnished by Quarles & Brady LLP, Bond Counsel to the City ("Bond Counsel"), and will be available at the time of delivery of the Bonds. The legal opinion will be issued on the basis of existing law and will state that the Bonds are valid and binding special obligations of the City; provided that the rights of the owners of the Bonds and the enforceability of the Bonds may be limited by bankruptcy, insolvency, reorganization, moratorium, and other similar laws affecting creditors' rights and by equitable principles (which may be applied in either a legal or equitable proceeding). (See "FORM OF LEGAL OPINION" found in Appendix B).

Quarles & Brady LLP has also been retained by the City to serve as Disclosure Counsel to the City with respect to the Bonds. Although, as Disclosure Counsel to the City, Quarles & Brady LLP has assisted the City with certain disclosure matters, Quarles & Brady LLP has not undertaken to independently verify the accuracy, completeness or sufficiency of the Official Statement or other offering material relating to the Bonds and assumes no responsibility whatsoever nor shall have any liability to any other party for the statements or information contained or incorporated by reference in the Official Statement. Further, Quarles & Brady LLP makes no representation as to the suitability of the Bonds for any investor.

TAX EXEMPTION

Quarles & Brady LLP, Milwaukee, Wisconsin, Bond Counsel, will deliver a legal opinion with respect to the federal income tax exemption applicable to the interest on the Bonds under existing law substantially in the following form:

"The interest on the Bonds is excludable for federal income tax purposes from the gross income of the owners of the Bonds. The interest on the Bonds is not an item of tax preference for purposes of the federal alternative minimum tax imposed by Section 55 of the Internal Revenue Code of 1986, as amended (the "Code") on individuals; however, interest on the Bonds is taken into account in determining "adjusted financial statement income" for purposes of computing the federal alternative minimum tax imposed on Applicable Corporations (as defined in Section 59(k) of the Code). The Code contains requirements that must be satisfied subsequent to the issuance of the Bonds in order for interest on the Bonds to be or continue to be excludable from gross income for federal income tax purposes. Failure to comply with certain of those requirements could cause the interest on the Bonds to be included in gross income retroactively to the date of issuance of the Bonds. The City has agreed to comply with all of those requirements. The opinion set forth in the first sentence of this paragraph is subject to the condition that the City comply with those requirements. We express no opinion regarding other federal tax consequences arising with respect to the Bonds."

The interest on the Bonds is not exempt from present Wisconsin income or franchise taxes.

Prospective purchasers of the Bonds should be aware that ownership of the Bonds may result in collateral federal income tax consequences to certain taxpayers. Bond Counsel will not express any opinion as to such collateral tax consequences. Prospective purchasers of the Bonds should consult their tax advisors as to collateral federal income tax consequences.

From time to time legislation is proposed, and there are or may be legislative proposals pending in the Congress of the United States that, if enacted, could alter or amend the federal tax matters referred to above or adversely affect the market value of the Bonds. It cannot be predicted whether, or in what form, any proposal that could alter one or more of the federal tax matters referred to above or adversely affect the market value of the Bonds may be enacted. Prospective purchasers of the Bonds should consult their own tax advisors regarding any pending or proposed federal tax legislation. Bond Counsel expresses no opinion regarding any pending or proposed federal tax legislation.

ORIGINAL ISSUE DISCOUNT

To the extent that the initial public offering price of certain of the Bonds is less than the principal amount payable at maturity, such Bonds ("Discounted Bonds") will be considered to be issued with original issue discount. The original issue discount is the excess of the stated redemption price at maturity of a Discounted Bond over the initial offering price to the public, excluding underwriters or other intermediaries, at which price a substantial amount of such Discounted Bonds were sold (issue price). With respect to a taxpayer who purchases a Discounted Bond in the initial public offering at the issue price and who holds such Discounted Bond to maturity, the full amount of original issue discount will constitute interest that is not includible in the gross income of the owner of such Discounted Bond for federal income tax purposes and such owner will not, subject to the caveats and provisions herein described, realize taxable capital gain upon payment of such Discounted Bond upon maturity.

Original issue discount is treated as compounding semiannually, at a rate determined by reference to the yield to maturity of each individual Discounted Bond, on days that are determined by reference to the maturity date of such Discounted Bond. The amount treated as original issue discount on a Discounted Bond for a particular semiannual accrual period is generally equal to (a) the product of (i) the yield to maturity for such Discounted Bond (determined by compounding at the close of each accrual period) and (ii) the amount that would have been the tax basis of such Discounted Bond at the beginning of the particular accrual period if held by the original purchaser; and less (b) the amount of any interest payable for such Discounted Bond during the accrual period. The tax basis is determined by adding to the initial public offering price on such Discounted Bond the sum of the amounts that have been treated as original issue discount for such purposes during all prior periods. If a Discounted Bond is sold or exchanged between semiannual compounding dates, original issue discount that would have been accrued for that semiannual compounding period for federal income tax purposes is to be apportioned in equal amounts among the days in such compounding period.

For federal income tax purposes, the amount of original issue discount that is treated as having accrued with respect to such Discounted Bond is added to the cost basis of the owner in determining gain or loss upon disposition of a Discounted Bond (including its sale, exchange, redemption, or payment at maturity). Amounts received upon disposition of a Discounted Bond that are attributable to accrued original issue discount will be treated as tax-exempt interest, rather than as taxable gain.

The accrual or receipt of original issue discount on the Discounted Bonds may result in certain collateral federal income tax consequences for the owners of such Discounted Bonds. The extent of these collateral tax consequences will depend upon the owner's particular tax status and other items of income or deduction.

The Code contains additional provisions relating to the accrual of original issue discount. Owners who purchase Discounted Bonds at a price other than the issue price or who purchase such Discounted Bonds in the secondary market should consult their own tax advisors with respect to the tax consequences of owning the Discounted Bonds. Under the applicable provisions governing the determination of state and local taxes, accrued interest on the Discounted Bonds may be deemed to be received in the year of accrual even though there will not be a corresponding cash payment until a later year. Owners of Discounted Bonds should consult their own tax advisors with respect to the state and local tax consequences of owning the Discounted Bonds.

BOND PREMIUM

To the extent that the initial offering price of certain of the Bonds is more than the principal amount payable at maturity, such Bonds ("Premium Bonds") will be considered to have bond premium.

Any Premium Bond purchased in the initial offering at the issue price will have "amortizable bond premium" within the meaning of Section 171 of the Code. The amortizable bond premium of each Premium Bond is calculated on a daily basis from the issue date of such Premium Bond until its stated maturity date (or call date, if any) on the basis of a constant interest rate compounded at each accrual period (with straight line interpolation between the compounding dates). An owner of a Premium Bond that has amortizable bond premium is not allowed any deduction for the amortizable bond premium; rather the amortizable bond premium attributable to a taxable year is applied against (and operates to reduce) the amount of tax-exempt interest payments on the Premium Bonds. During each taxable year, such an owner must reduce his or her tax basis in such Premium Bond by the amount of the amortizable bond premium that is allocable to the portion of such taxable year during which the holder held such Premium Bond. The adjusted tax basis in a Premium Bond will be used to determine taxable gain or loss upon a disposition (including the sale, exchange, redemption, or payment at maturity) of such Premium Bond.

Owners of Premium Bonds who did not purchase such Premium Bonds in the initial offering at the issue price should consult their own tax advisors with respect to the tax consequences of owning such Premium Bonds. Owners of Premium Bonds should consult their own tax advisors with respect to the state and local tax consequences of owning the Premium Bonds.

NOT QUALIFIED TAX-EXEMPT OBLIGATIONS

The Bonds shall not be "qualified tax-exempt obligations" pursuant to Section 265(b)(3) of the Code.

MUNICIPAL ADVISOR

Ehlers has served as municipal advisor to the City in connection with the issuance of the Bonds. The Municipal Advisor cannot participate in the underwriting of the Bonds. The financial information included in this Official Statement has been compiled by the Municipal Advisor. Such information does not purport to be a review, audit or certified forecast of future events and may not conform with accounting principles applicable to compilations of financial information. Ehlers is not a firm of certified public accountants. Ehlers is registered with the Securities and Exchange Commission and the MSRB as a municipal advisor.

MUNICIPAL ADVISOR AFFILIATED COMPANIES

BTSC and Ehlers Investment Partners, LLC ("EIP") are affiliate companies of Ehlers. BTSC is chartered by the State of Minnesota and authorized in Minnesota, Wisconsin, Colorado, and Illinois to transact the business of a limited purpose trust company. BTSC provides paying agent services to debt issuers. EIP is a Registered Investment Advisor

with the Securities and Exchange Commission. EIP assists issuers with the investment of bond proceeds or investing other issuer funds. This includes escrow bidding agent services. Issuers, such as the City, have retained or may retain BTSC and/or EIP to provide these services. If hired, BTSC and/or EIP would be retained by the City under an agreement separate from Ehlers.

INDEPENDENT AUDITORS

The basic financial statements of the City for the fiscal year ended December 31, 2024 have been audited by Baker Tilly US, LLP, Madison, Wisconsin, independent auditors (the "Auditor"). The report of the Auditor, together with the basic financial statements, component units financial statements, and notes to the financial statements are attached hereto as "APPENDIX A – FINANCIAL STATEMENTS". The Auditor has not been engaged to perform and has not performed, since the date of its report included herein, any procedures on the financial statements addressed in that report. The Auditor also has not performed any procedures relating to this Official Statement.

RISK FACTORS

The following is a description of possible risks to holders of the Bonds without weighting as to probability. This description of risks is not intended to be all-inclusive, and there may be other risks not now perceived or listed here. Potential investors should read this Official Statement, including the appendices, in its entirety.

System Revenues: Should rates set be inadequate to cover expenses, an unusual number of delinquencies occur, or a major breakdown or other disaster cause the Utility System to be inoperable, a shortfall of revenues could result in a delay of debt payments.

Larger Users: Should larger users increase or decrease usage of the Utility service currently provided, the revenues of the Utility System will be affected proportionately.

Ratings; Interest Rates: In the future, the City's credit rating may be reduced or withdrawn, or interest rates for this type of obligation may rise generally, either possibility resulting in a reduction in the value of the Bonds for resale prior to maturity.

Rates: State or federal action to create oversight on rate setting by municipal utilities could affect the ability of the Electric System to produce future revenues. No such regulations are currently proposed or anticipated.

Electric Utility Industry: The electric utility industry is constantly changing in the face of market forces and regulatory actions. Changes in the electric utility industry may impact the financial condition of the Electric System. Such changes include, but are not limited to, (a) the effects of competition from other suppliers of electricity, (b) the effects of compliance with rapidly changing environmental, safety, licensing, and regulatory requirements, (c) the changes resulting from conservation and demand side management programs on the timing and use of electric energy, and (d) the challenges to the Electric System's ability to issue tax exempt obligations. Any of these factors could have an impact on the financial condition of the Electric System.

Tax Exemption: If the federal government taxes all or a portion of the interest on municipal bonds or notes or if the State government increases its tax on interest on bonds and notes, directly or indirectly, or if there is a change in federal or state tax policy, then the value of these Bonds may fall for purposes of resale. Noncompliance by the City with the covenants in the Authorizing Resolution relating to certain continuing requirements of the Code may result in inclusion of interest to be paid on the Bonds in gross income of the recipient for United States income tax purposes, retroactive to the date of issuance.

Continuing Disclosure: A failure by the City to comply with the Disclosure Undertaking for continuing disclosure (see "CONTINUING DISCLOSURE") will not constitute an event of default on the Bonds. Any such failure must be reported in accordance with the Rule and must be considered by any broker, dealer, or municipal securities dealer before recommending the purchase or sale of the Bonds in the secondary market. Such a failure may adversely affect the transferability and liquidity of the Bonds and their market price.

Book-Entry-Only System: The timely credit of payments for principal and interest on the Bonds to the accounts of the Beneficial Owners of the Bonds may be delayed due to the customary practices, standing instructions or for other unknown reasons by DTC participants or indirect participants. Since the notice of redemption or other notices to holders of these obligations will be delivered by the City to DTC only, there may be a delay or failure by DTC, DTC participants or indirect participants to notify the Beneficial Owners of the Bonds.

Depository Risk: Wisconsin Statutes direct the local treasurer to immediately deposit upon receipt thereof, the funds of the municipality in a public depository designated by the governing body. A public depository means a federal or state credit union, federal or state savings and loan association, state bank, savings and trust company, mutual savings bank or national bank in Wisconsin or the local government pooled investment fund operated by the State Investment Board. It is not uncommon for a municipality to have deposits exceeding limits of federal and state insurance programs. Failure of a depository could result in loss of public funds or a delay in obtaining them. Such a loss or delay could interrupt a timely payment of municipal debt.

Economy: A combination of economic, climatic, political or civil disruptions or terrorist actions outside of the control of the City, including loss of major taxpayers or major employers, could affect the local economy and result in reduced tax collections and/or increased demands upon local government. Real or perceived threats to the financial stability of the City may have an adverse effect on the value of the Bonds in the secondary market.

Secondary Market for the Bonds: No assurance can be given that a secondary market will develop for the purchase and sale of the Bonds or, if a secondary market exists, that such Bonds can be sold for any particular price. The underwriters are not obligated to engage in secondary market trading or to repurchase any of the Bonds at the request of the owners thereof. Prices of the Bonds as traded in the secondary market are subject to adjustment upward and downward in response to changes in the credit markets and other prevailing circumstances. No guarantee exists as to the future market value of the Bonds. Such market value could be substantially different from the original purchase price.

Bankruptcy: The rights and remedies of the holders may be limited by and are subject to the provisions of federal bankruptcy laws, to other laws, or equitable principles that may affect the enforcement of creditors' rights, to the exercise of judicial discretion in appropriate cases and to limitations on legal remedies against local governments. The opinion of Bond Counsel to be delivered with respect to the Bonds will be similarly qualified. See "MUNICIPAL BANKRUPTCY" herein.

Cybersecurity: The City is dependent on electronic information technology systems to deliver services. These systems may contain sensitive information or support critical operational functions which may have value for unauthorized purposes. As a result, the electronic systems and networks may be targets of cyberattack. There can be no assurance that the City will not experience an information technology breach or attack with financial consequences that could have a material adverse impact.

VALUATIONS

WISCONSIN PROPERTY VALUATIONS; PROPERTY TAXES

Equalized Value

Section 70.57, Wisconsin Statutes, requires the Department of Revenue to annually determine the equalized value (also referred to as full equalized value or aggregate full value) of all taxable property in each county and taxation district. The equalized value is an independent estimate of value used to equate individual local assessment policies so that property taxes are uniform throughout the various subdivisions in the State. Equalized value is calculated based on the history of comparable sales and information about value changes or taxing status provided by the local assessor. A comparison of the State-determined equalized value and the local assessed value, expressed as a percentage, is known as the assessment ratio or level of assessment. The Department of Revenue notifies each county and taxing jurisdiction of its equalized value on August 15; school districts are notified on October 1. The equalized value of each county is the sum of the valuations of all cities, villages, and towns within its boundaries. Taxing jurisdictions lying in more than one municipality, such as counties, school districts, or special taxing districts, use the equalized value of the underlying units in calculating and levying their respective levies. Equalized values are also used to apportion state aids and calculate municipal general obligation debt limits.

Assessed Value

The "assessed value" of taxable property in a municipality is determined by the local assessor, except for manufacturing properties which are valued by the State. Each city, village or town retains its own local assessor, who must be certified by the State Department of Revenue. Assessed value is used by these municipalities to determine tax levy mill rates and to apportion levies among individual property owners. Each taxing district must assess property at full value at least once in every five-year period. The State requires that the assessed values must be within 10% of State equalized values at least once every four years. The local assessor values property as of January 1 each year and submits those values to each municipality by the second Monday in June. The assessor also reports any value changes taking place since the previous year, to the Department of Revenue, by the second Monday in June.

CURRENT PROPERTY VALUATIONS

	Total
2025 Equalized Value	\$714,420,000
2025 Equalized Value Reduced by Tax Increment Valuation	\$681,000,100
2025 Assessed Value	\$658,936,500

2025 EQUALIZED VALUE BY CLASSIFICATION

	2025 Equalized Value¹	Percent of Total Equalized Value
Residential	\$519,488,500	72.715%
Commercial	136,776,700	19.145%
Manufacturing	56,644,200	7.929%
Agricultural	429,200	0.060%
Undeveloped	18,100	0.003%
Other	<u>1,063,300</u>	<u>0.149%</u>
 Total	 <u><u>\$714,420,000</u></u>	 <u><u>100.000%</u></u>

TREND OF VALUATIONS

Year	Assessed Value	Equalized Value¹	Percent Increase/Decrease in Equalized Value
2021	\$472,295,600	\$503,897,500	2.67%
2022	470,474,200	555,927,900	10.33%
2023	474,161,100	636,359,200	14.47%
2024	658,387,900	646,526,300	1.60%
2025	658,936,500	714,420,000	10.50%

Source: Wisconsin Department of Revenue, Bureau of Equalization and Local Government Services Bureau.

¹Includes tax increment valuation.

LARGER TAXPAYERS

Taxpayer	Type of Business/Property	2025 Equalized Value ¹	Percent of City's Total Equalized Value
Columbus Next LLC (Fromm Pet Family Foods)	Dog Food Manufacturer	\$16,059,200	2.25%
Cole ID Columbus WI LLC	Tool Manufacturer	13,769,700	1.93%
American Packaging Corp.	Flexible and Specialty Packaging Manufacturer	12,237,000	1.71%
Premier Kestrel Columbus LLC	Apartments	8,467,900	1.19%
Columbus Properties LLC	Apartments	4,354,700	0.61%
Zittel Family Limited Partnership	Commercial Cooking and Cooling Machine Manufacturer	4,110,800	0.58%
Gusto Properties LLC	Metal Fabricating and Powder Coating Supplier	3,492,300	0.49%
Prairie Ridge Health Inc	Hospital	3,288,000	0.46%
Liberty Kwik Stop LLC	BP Gas Station/Truck Stop	3,257,200	0.46%
Farmers and Merchants Union Bank of Columbus	Bank	3,057,100	0.43%
Total		<u>\$72,093,900</u>	<u>10.09%</u>
City's Total 2025 Equalized Value ²		\$714,420,000	

Source: The City.

DEBT

DIRECT DEBT³

General Obligation Debt (see schedules following)

Total General Obligation Debt (includes the Concurrent Obligations, as defined herein)*

\$15,377,829

*Preliminary, subject to change.

¹Calculated by dividing the 2025 Assessed Values by the 2025 Aggregate Ratio of assessment for the City.

²Includes tax increment valuation.

³Outstanding debt is as of the dated date of the Notes.

Revenue Debt (see schedules following)

Total revenue debt secured by electric and waterworks revenues (includes the Bonds)* (see schedule on Page 5)	<u>\$7,355,000</u>
Total revenue debt secured by sewerage revenues	<u>\$5,381,952</u>

*Preliminary, subject to change.

DEBT PAYMENT HISTORY

The City has no record of default in the payment of principal and interest on its debt.

FUTURE FINANCING

Concurrently with the Bonds, the City plans to issue its \$5,830,000* General Obligation Promissory Notes, Series 2026B (the "Concurrent Obligations"). The City also plans to issue sewerage system revenue bonds in the amount of approximately \$4,460,000 in the next 12 months, however timing of this issuance is currently unknown. The City may issue general obligation debt in 2027 to finance capital projects, but the amount and timing of any such borrowing are not yet known. The City may also borrow for construction of a new municipal facility that may be funded with utility revenue debt, but the amount and timing of any such borrowing are not yet known. Aside from the preceding, the City has no current plans for additional financing in the next 12 months.

DEBT LIMIT

The constitutional and statutory general obligation debt limit for Wisconsin municipalities, including towns, cities, villages, and counties (Article XI, Section 3 of the Wisconsin Constitution and Section 67.03, Wisconsin Statutes) is 5% of the current equalized value.

Equalized Value	\$714,420,000
Multiply by 5%	<u>0.05</u>
Statutory Debt Limit ¹	\$35,721,000
Less: General Obligation Debt*	<u>(15,377,829)</u>
Unused Debt Limit*	<u><u>\$20,343,171</u></u>

*Preliminary, subject to change.

¹The City has adopted a debt policy that provides that the City's total general obligation debt shall not exceed 65% of the statutory debt limit for any debt supported by tax levy. The debt policy provides that in order to exceed this percentage, a super majority vote of the Common Council is required.

City of Columbus, Wisconsin
 Schedule of Bonded Indebtedness
 General Obligation Debt Secured by Taxes
 (As of 04/23/2026)

	Sewerage System Promissory Notes (CWFL) Series 2007		Industrial Development Bonds Series 2013A		State Trust Fund Loan		Corporate Purpose Bonds Series 2017A		Corporate Purpose Bonds Series 2018A	
Dated	11/14/2007		02/07/2013		01/10/2017		04/04/2017		08/02/2018	
Amount	\$1,156,679		\$1,885,000		\$800,000		\$1,535,000		\$1,640,000	
Maturity	05/01		04/01		03/15		04/01		04/01	
Calendar Year Ending	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest
2026	70,321	2,654	0	9,125	0	0	0	14,223	0	22,063
2027	72,062	892	110,000	16,930	41,623	17,087	85,000	27,276	115,000	42,400
2028			110,000	14,290	43,037	15,673	85,000	24,833	115,000	38,950
2029			115,000	11,475	44,586	14,124	85,000	22,283	120,000	35,425
2030			120,000	8,420	46,146	12,563	85,000	19,733	120,000	31,825
2031			120,000	5,180	47,761	10,948	90,000	16,995	125,000	27,525
2032			125,000	1,750	49,408	9,302	90,000	14,070	120,000	22,625
2033					51,162	7,547	95,000	11,064	125,000	17,725
2034					52,953	5,757	95,000	7,905	140,000	12,425
2035					54,806	3,903	95,000	4,675	135,000	7,263
2036					56,719	1,991	90,000	1,530	140,000	2,450
2037										
2038										
2039										
2040										
2041										
2042										
2043										
2044										
2045										
2046										
	142,383	3,546	700,000	67,170	488,201	98,896	895,000	164,585	1,255,000	260,675

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City of Columbus, Wisconsin
 Schedule of Bonded Indebtedness continued
 General Obligation Debt Secured by Taxes
 (As of 04/23/2026)

Dated Amount	Promissory Notes Series 2020B		State Trust Fund Loan		Corporate Purpose Bonds Series 2022B		Promissory Notes Series 2024A		Promissory Notes Series 2026B		Total Principal	Total Interest	Total P & I	Principal Outstanding	% Paid	Calendar Year Ending
Maturity																
	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Estimated Interest						
08/06/2020	\$1,150,000		12/17/2021	\$225,000	09/22/2022	\$1,350,000	12/19/2024	\$4,890,000	04/23/2026	\$5,830,000*						
04/01			03/15		04/01		04/01		04/01							
2026	0	3,748	0	0	0	25,300	0	85,775	0	0	70,321	162,886	233,207	15,307,508	.46%	2026
2027	215,000	6,635	9,604	7,690	55,000	49,500	420,000	161,050	205,000	295,601	1,328,289	625,061	1,953,350	13,979,219	9.09%	2027
2028	215,000	4,808	9,969	7,326	55,000	47,300	285,000	143,425	315,000	197,192	1,233,005	493,796	1,726,801	12,746,214	17.11%	2028
2029	200,000	2,840	10,387	6,907	55,000	45,100	295,000	128,925	325,000	188,088	1,249,973	455,166	1,705,139	11,496,241	25.24%	2029
2030	160,000	920	10,803	6,491	55,000	42,900	275,000	114,675	335,000	178,599	1,206,949	416,126	1,623,076	10,289,292	33.09%	2030
2031			11,235	6,059	85,000	40,100	285,000	100,675	350,000	168,544	1,113,996	376,027	1,490,023	9,175,295	40.33%	2031
2032			11,669	5,625	90,000	36,600	315,000	85,675	360,000	157,857	1,161,077	333,504	1,494,581	8,014,218	47.88%	2032
2033			12,151	5,143	85,000	33,100	340,000	71,000	380,000	146,401	1,088,313	291,980	1,380,293	6,925,905	54.96%	2033
2034			12,637	4,657	90,000	29,600	350,000	57,200	405,000	133,914	1,145,590	251,458	1,397,048	5,780,315	62.41%	2034
2035			13,143	4,152	90,000	26,000	115,000	47,900	415,000	120,422	917,949	214,314	1,132,263	4,862,366	68.38%	2035
2036			13,659	3,636	90,000	22,400	115,000	43,300	425,000	106,140	930,378	181,446	1,111,824	3,931,988	74.43%	2036
2037			14,215	3,080	90,000	18,800	115,000	38,700	190,000	95,429	409,215	156,008	565,223	3,522,773	77.09%	2037
2038			14,783	2,511	85,000	15,300	120,000	34,000	200,000	88,338	419,783	140,148	559,932	3,102,990	79.82%	2038
2039			15,375	1,920	85,000	11,900	120,000	29,200	210,000	80,668	430,375	123,688	554,062	2,672,615	82.62%	2039
2040			15,986	1,308	85,000	8,500	130,000	24,200	215,000	72,485	445,986	106,493	552,480	2,226,629	85.52%	2040
2041			16,629	665	85,000	5,100	130,000	19,000	225,000	63,220	456,629	87,985	544,614	1,770,000	88.49%	2041
2042					85,000	1,700	135,000	13,700	230,000	52,982	450,000	68,382	518,382	1,320,000	91.42%	2042
2043							135,000	8,300	240,000	42,383	375,000	50,683	425,683	945,000	93.85%	2043
2044							140,000	2,800	255,000	31,145	395,000	33,945	428,945	550,000	96.42%	2044
2045									270,000	19,162	270,000	19,162	289,162	280,000	98.18%	2045
2046									280,000	6,496	280,000	6,496	286,496	0	100.00%	2046
	790,000	18,950	192,245	67,169	1,265,000	459,200	3,820,000	1,209,500	5,830,000	2,245,062	15,377,829	4,594,753	19,972,582			

* Preliminary, subject to change. The Concurrent Obligations are expected to be issued concurrently with the Bonds.

City of Columbus, Wisconsin
Schedule of Bonded Indebtedness
Revenue Debt Secured by Sewerage Revenues
(As of 04/23/2026)

	Sewerage System Revenue Bonds (CWFL) Series 2007		Sewerage System Revenue Bonds (CWFL) Series 2011		Sewerage System Revenue Bonds Series 2017C		Sewerage System Revenue Bonds Series 2020A		Sewerage System Revenue Bonds Series 2022A							Calendar Year Ending
Dated Amount	11/14/2007 \$1,652,000		06/08/2011 \$1,313,944		04/04/2017 \$1,935,000		06/11/2020 \$1,125,000		09/22/2022 \$2,585,000							
Maturity	05/01		05/01		05/01		05/01		05/01							
Calendar Year Ending	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest	Total Principal	Total Interest	Total P & I	Principal Outstanding	% Paid	Calendar Year Ending
2026	100,676	3,799	72,682	10,242	90,000	42,648	50,000	19,760	25,000	97,248	338,358	173,696	512,054	5,043,594	6.29%	2026
2027	103,168	1,277	74,426	8,477	90,000	40,128	50,000	18,910	25,000	96,423	342,594	165,214	507,808	4,701,000	12.65%	2027
2028			76,212	6,669	95,000	37,443	50,000	18,060	125,000	93,916	346,212	156,088	502,300	4,354,788	19.09%	2028
2029			78,041	4,818	100,000	34,518	55,000	17,085	130,000	89,613	363,041	146,033	509,075	3,991,747	25.83%	2029
2030			79,914	2,923	100,000	31,418	55,000	15,985	135,000	85,074	369,914	135,399	505,314	3,621,832	32.70%	2030
2031			81,832	982	105,000	28,138	55,000	14,885	140,000	80,295	381,832	124,299	506,132	3,240,000	39.80%	2031
2032					110,000	24,560	60,000	13,660	145,000	75,271	315,000	113,491	428,491	2,925,000	45.65%	2032
2033					115,000	20,679	60,000	12,310	155,000	69,908	330,000	102,896	432,896	2,595,000	51.78%	2033
2034					115,000	16,568	60,000	10,960	165,000	64,065	340,000	91,593	431,593	2,255,000	58.10%	2034
2035					120,000	12,220	60,000	9,535	170,000	57,783	350,000	79,538	429,538	1,905,000	64.60%	2035
2036					125,000	7,500	65,000	7,973	175,000	51,140	365,000	66,613	431,613	1,540,000	71.39%	2036
2037					125,000	2,500	65,000	6,348	185,000	44,028	375,000	52,875	427,875	1,165,000	78.35%	2037
2038							70,000	4,590	190,000	36,433	260,000	41,023	301,023	905,000	83.18%	2038
2039							65,000	2,768	190,000	28,595	255,000	31,363	286,363	650,000	87.92%	2039
2040							70,000	945	190,000	20,663	260,000	21,608	281,608	390,000	92.75%	2040
2041									195,000	12,529	195,000	12,529	207,529	195,000	96.38%	2041
2042									195,000	4,193	195,000	4,193	199,193	0	100.00%	2042
	203,844	5,076	463,108	34,112	1,290,000	298,316	890,000	173,773	2,535,000	1,007,173	5,381,952	1,518,449	6,900,401			

OVERLAPPING DEBT¹

Taxing District	2025 Equalized Value²	% In City	Total G.O. Debt³	City's Proportionate Share
Columbia County	\$10,056,969,200	7.1037%	\$32,100,000	\$2,280,288
Columbus School District	1,349,585,879	52.9362%	22,385,000	11,849,768
Madison Area Technical College District	159,919,721,111	0.4467%	168,740,000	<u>753,762</u>
City's Share of Total Overlapping Debt				<u><u>\$14,883,818</u></u>

DEBT RATIOS

	G.O. Debt	Debt/Equalized Value \$714,420,000	Debt/ Per Capita 5,485⁴
Total General Obligation Debt*	\$15,377,829	2.15%	\$2,803.62
City's Share of Total Overlapping Debt	<u>14,883,818</u>	<u>2.08%</u>	<u>2,713.55</u>
Total*	\$30,261,647	4.24%	\$5,517.16

*Preliminary, subject to change.

¹Overlapping debt is as of the dated date of the Notes. Only those taxing jurisdictions with general obligation debt outstanding are included in this section. Dodge County is not included in this table because the City has no equalized value in Dodge County.

²Includes tax increment valuation.

³Outstanding debt based on information obtained on EMMA, Wisconsin Department of Revenue, Wisconsin Department of Public Instruction and the Municipal Advisor's records.

⁴Estimated 2025 population.

TAX LEVIES AND COLLECTIONS

TAX LEVIES AND COLLECTIONS

Tax Year	Levy for City Purposes Only	% Collected	Levy/Equalized Value Reduced by Tax Increment Valuation in Dollars per \$1,000
2021/22	\$3,444,849	100%	\$7.44
2022/23	3,647,372	100%	6.81
2023/24	3,776,597	100%	6.21
2024/25	4,136,660	100%	6.63
2025/26	4,498,574	In Process of Collection	6.61

Property tax statements are distributed to taxpayers by the town, village, and city treasurers in December of the levy year. Current State law requires counties to pay 100% of the real property taxes levied to cities, villages, towns, school districts and other taxing entities on or about August 20 of the collection year.

Special assessments, special charges and special taxes must be paid to the town, city or village treasurer in full by January 31, unless the municipality, by ordinance, permits special assessments to be paid in installments. Real property taxes must be paid in full by January 31 or in two equal installments by January 31 and July 31. Alternatively, municipalities may adopt a payment plan which permits real property taxes to be paid in three or more equal installments, provided that the first installment is paid by January 31, one-half of the taxes are paid by April 30 and the remainder is paid by July 31. Amounts paid on or before January 31 are paid to the town, city or village treasurer. Amounts paid after January 31, are paid to the county treasurer unless the municipality has authorized payment in three or more installments in which case payment is made to the town, city or village treasurer. On or before January 15 and February 20 the town, city or village treasurer settles with other taxing jurisdictions for all collections through December and January, respectively. In municipalities which have authorized the payment of real property taxes in three or more installments, the town, city or village treasurer settles with the other taxing jurisdictions on January 15, February 20 and on the fifteenth day of each month following the month in which an installment payment is required. On or before August 20, the county treasurer must settle in full with the underlying taxing districts for all real property taxes and special taxes. Any county board may authorize its county treasurer to also settle in full with the underlying taxing districts for all special assessments and special charges. The county may then recover any tax delinquencies by enforcing the lien on the property and retain any penalties or interest on the delinquencies for which it has settled. Previously, personal property taxes were required to be paid to the town, city or village treasurer in full by January 31. Uncollected personal property taxes owed by an entity that had ceased operations or filed a petition for bankruptcy, or were due on personal property that had been removed from the next assessment roll were formerly collected from each taxing entity in the year following the levy year. The personal property tax was repealed, starting with the property tax assessments as of January 1, 2024. Beginning in 2025, the personal property tax was replaced with a payment from the State intended to replace the amount of property taxes imposed on personal property for the property tax assessments as of January 1, 2023.

PROPERTY TAX RATES

Full value rates for property taxes expressed in dollars per \$1,000 of equalized value (excluding tax increment valuation) that have been collected in recent years have been as follows:

Year Levied/ Year Collected	Schools¹	County	Local	Total
2021/22	\$10.44	\$4.31	\$7.44	\$22.19
2022/23	9.02	3.82	6.81	19.65
2023/24	8.01	3.46	6.21	17.68
2024/25	7.50	3.19	6.63	17.32
2025/26	8.04	2.96	6.61	17.61

Source: Property Tax Rates were extracted from Statement of Taxes prepared by the Wisconsin Department of Revenue, Division of State and Local Finance.

LEVY LIMITS

Section 66.0602 of the Wisconsin Statutes, imposes a limit on property tax levies by cities, villages, towns and counties. No city, village, town or county is permitted to increase its tax levy by a percentage that exceeds its valuation factor (which is defined as a percentage equal to the greater of either the percentage change in the political subdivision's January 1 equalized value due to new construction less improvements removed between the previous year and the current or zero percent; for a tax incremental district created after December 31, 2024, the valuation factor includes 90% of the equalized value increase due to new construction that is located in a tax incremental district, but does not include any improvements removed in a tax incremental district). The base amount in any year to which the levy limit applies is the actual levy for the immediately preceding year. In 2018, and in each year thereafter, the base amount is the actual levy for the immediately preceding year plus the amount of the payment from the State under Section 79.096 of the Wisconsin Statutes (an amount equal to the property taxes formerly levied on certain items of personal property), and the levy limit is the base amount multiplied by the valuation factor, minus the amount of the payment from the State under Section 79.096 of the Wisconsin Statutes. This levy limitation is an overall limit, applying to levies for operations as well as for other purposes.

A political subdivision that did not levy its full allowable levy in the prior year can carry forward the difference between the allowable levy and the actual levy, up to a maximum of 1.5% of the prior year's actual levy. The use of the carry forward levy adjustment needs to be approved by a majority vote of the political subdivision's governing body (except in the case of towns) if the amount of carry forward levy adjustment is less than or equal to 0.5% and by a super majority vote of the political subdivision's governing body (three-quarters vote if the governing body is comprised of five or more members, two-thirds vote if the governing body is comprised of fewer than five members) (except in the case of towns) if the amount of the carry forward levy adjustment is greater than 0.5% up to the maximum increase of 1.5%. For towns, the use of the carry forward levy adjustment needs to be approved by a majority vote of the annual town meeting or special town meeting after the town board has adopted a resolution in favor of the adjustment by a majority vote if the amount of carry forward levy adjustment is less than or equal to 0.5% or by two-thirds vote or more if the amount of carry forward levy adjustment is greater than 0.5% up to the maximum of 1.5%.

¹The Schools tax rate reflects the composite rate of all local school districts and technical college district.

Beginning with levies imposed in 2015, if a political subdivision does not make an adjustment in its levy as described in the above paragraph in the current year, the political subdivision may increase its levy by the aggregate amount of the differences between the political subdivision's valuation factor in the previous year and the actual percent increase in a political subdivision's levy attributable to the political subdivision's valuation factor in the previous year, for the five years before the current year, less any amount of such aggregate amount already claimed as an adjustment in any of the previous five years. The calculation of the aggregate amount available for such adjustment may not include any year before 2014, and the maximum adjustment allowed may not exceed 5%. The use of the adjustment described in this paragraph requires approval by a two-thirds vote of the political subdivision's governing body, and the adjustment may only be used if the political subdivision's level of outstanding general obligation debt in the current year is less than or equal to the political subdivision's level of outstanding general obligation debt in the previous year.

The levy limits do not apply to property taxes levied to pay debt service on general obligation debt authorized on or after July 1, 2005. In addition, the statute provides for certain other adjustments to and exclusions from the tax levy limit. Among the exclusions, Section 66.0602(3)(e)5. of the Wisconsin Statutes provides that the levy limit does not apply to "the amount that a political subdivision levies in that year to make up any revenue shortfall for the debt service on a revenue bond issued under Section 66.0621 by that political subdivision." Recent positions taken by the Wisconsin Department of Revenue ("DOR") call into question the availability of this exception if the revenue shortfall is planned or ongoing. To date, such DOR positions have not been expressed formally in a declaratory ruling under Section 227.41(5)(a) of the Wisconsin Statutes, nor have they been the subject of any court challenge or resulting court ruling.

The Bonds will be authorized pursuant to Section 66.0621 of the Wisconsin Statutes and may be subject to the special provisions described above.

REVENUE FROM THE STATE

In addition to local property taxes described above, a number of State programs exist which provide revenue to the City. One such program is commonly known as shared revenue which, pursuant to sec. 79.036, Wis. Stats., provides funding to the City that can be used for any public purpose. Chapter 79, Wis. Stats. includes other revenue sharing programs, which each have their own requirements. 2023 Wisconsin Act 12 ("Act 12") created a supplement to shared revenue, with payments to the City beginning in 2024. This supplemental shared revenue may be used only for the purposes specified in section 79.037, Wis. Stats. In 2025, the City received approximately \$825,300 in shared revenue under Chapter 79, Wis. Stats., an increase from the approximately \$808,500 received in 2024. The City is expected to receive approximately \$869,300 in shared revenue under Chapter 79, Wis. Stats. in 2026. In future years, the amount of supplemental shared revenue could grow if State sales tax collections grow.

THE ISSUER

CITY GOVERNMENT

The City was incorporated in 1874 and is governed by a Mayor and a six-member Common Council. The Mayor does not vote except in the case of a tie. All Council Members are elected to two-year terms. The appointed City Administrator, City Clerk and City Treasurer/Finance Director are responsible for administrative details and financial records.

EMPLOYEES; PENSIONS

The City employs a staff of 48 full-time, 18 part-time, and 50 seasonal employees. All eligible employees in the City are covered under the Wisconsin Retirement System ("WRS") established under Chapter 40 of the Wisconsin Statutes ("Chapter 40"). The WRS is a cost-sharing multiple-employer defined benefit pension plan. The Department of Employee Trust Funds ("ETF") administers the WRS. Required contributions to the WRS are determined by the ETF Board pursuant to an annual actuarial valuation in accordance with Chapter 40 and the ETF's funding policies. The ETF Board has stated that its funding policy is to (i) ensure funds are adequate to pay benefits; (ii) maintain stable and predictable contribution rates for employers and employees; and (iii) maintain inter-generational equity to ensure the cost of the benefits is paid for by the generation that receives the benefits.

City employees are generally required to contribute half of the actuarially determined contributions, and the City may not pay the employees' required contribution. During the fiscal year ended December 31, 2022, the fiscal year ended December 31, 2023 and the fiscal year ended December 31, 2024 ("Fiscal Year 2024"), the City's portion of contributions to WRS (not including any employee contributions) totaled \$190,573, \$206,266 and \$212,127, respectively.

Governmental Accounting Standards Board Statement No. 68 ("GASB 68") requires calculation of a net pension liability for the pension plan. The net pension liability is calculated as the difference between the pension plan's total pension liability and the pension plan's fiduciary net position. The pension plan's total pension liability is the present value of the amounts needed to pay pension benefits earned by each participant in the pension plan based on the service provided as of the date of the actuarial valuation. In other words, it is a measure of the present value of benefits owed as of a particular date based on what has been earned only up to that date, without taking into account any benefits earned after that date. The pension plan's fiduciary net position is the market value of plan assets formally set aside in a trust and restricted to paying pension plan benefits. If the pension plan's total pension liability exceeds the pension plan's fiduciary net position, then a net pension liability results. If the pension plan's fiduciary net position exceeds the pension plan's total pension liability, then a net pension asset results.

As of December 31, 2023, the total pension liability of the WRS was calculated as \$129.2 billion and the fiduciary net position of the WRS was calculated as \$127.7 billion, resulting in a net pension liability of \$1.5 billion. As of December 31, 2024, the total pension liability of the WRS was calculated as \$136.18 billion and the fiduciary net position of the WRS was calculated as \$134.54 billion, resulting in a net pension liability of \$1.64 billion. Accordingly, the City will continue to report a liability for its proportionate share of the net pension liability in its audited financial statements for the year ended December 31, 2025.

Under GASB 68, each participating employer in a cost-sharing pension plan must report the employer's proportionate share of the net pension liability or net pension asset of the pension plan. Accordingly, for Fiscal Year 2024, the City reported a liability of \$251,208 for its proportionate share of the net pension liability of the WRS. The net pension liability was measured as of December 31, 2023 based on the City's share of contributions to the pension plan relative to the contributions of all participating employers. The City's proportion was 0.01689588% of the aggregate WRS net pension liability as of December 31, 2023.

The calculation of the total pension liability and fiduciary net position are subject to a number of actuarial assumptions, which may change in future actuarial valuations. Such changes may have a significant impact on the calculation of net pension liability of the WRS, which may also cause the ETF Board to change the contribution requirements for employers and employees. For more detailed information regarding the WRS and such actuarial assumptions, see Note 4 in "APPENDIX A - FINANCIAL STATEMENTS" attached hereto.

Recognized and Certified Bargaining Units

All eligible City personnel are covered by the Municipal Employment Relations Act ("MERA") of the Wisconsin Statutes. Pursuant to that law, employees have rights to organize and collectively bargain with municipal employers.

MERA was amended by 2011 Wisconsin Act 10 (the "Act") and by 2011 Wisconsin Act 32, which altered the collective bargaining rights of public employees in Wisconsin.

As a result of the 2011 amendments to MERA, the City is prohibited from bargaining collectively with municipal employees, other than public safety and transit employees, with respect to any factor or condition of employment except total base wages. Even then, the City is limited to increasing total base wages beyond any increase in the consumer price index since 180 days before the expiration of the previous collective bargaining agreement (unless City were to seek approval for a higher increase through a referendum). Ultimately, the City can unilaterally implement the wages for a collective bargaining unit.¹

Under the changes to MERA, impasse resolution procedures were removed from the law for municipal employees of the type employed by the City, including binding interest arbitration. Strikes by any municipal employee or labor organization are expressly prohibited. Furthermore, if strikes do occur, they may be enjoined by the courts. Additionally, because the only legal subject of bargaining is total base wages, all bargaining over items such as just cause, benefits, and terms of conditions of employment are prohibited and cannot be included in a collective bargaining agreement. Impasse resolution for public safety employees and transit employees is subject to final and binding arbitration procedures, which do not include a right to strike. Interest arbitration is available for transit employees if certain conditions are met.

The following bargaining unit represents employees of the City:

Bargaining Unit	Expiration Date of Current Contract
Wisconsin Professional Police Association	December 31, 2027

OTHER POST EMPLOYMENT BENEFITS

The City participates in the Local Retiree Life Insurance Fund ("LRLIF"), which is a cost-sharing multiple-employer defined benefit plan established by Chapter 40. The ETF and the Group Insurance Board have statutory authority for program administration and oversight, including establishing contribution requirements for employers.

For Fiscal Year 2024, the City's portion of contributions to the LRLIF totaled \$4,921. For Fiscal Year 2023, the City reported a liability of \$172,783 for its proportionate share of the net OPEB liability of the LRLIF. The net OPEB liability was measured as of December 31, 2023 based on the City's share of contributions to the LRLIF relative to the contributions of all participating employers. The City's proportion was 0.04010100% of the aggregate LRLIF net OPEB liability as of December 31, 2023.

¹On July 3, 2024, a Wisconsin circuit court judge issued a decision in the case *Abbotsford Education Association vs. Wisconsin Employment Relations Commission, Case No. 2023CV3152*, denying the Wisconsin State Legislature's intervening motion to dismiss the plaintiffs' challenge to the different classifications the Act created regarding collective bargaining rights. The court's order denying the motion to dismiss stated that the Act violates the equal protection clause of the Wisconsin Constitution and declared those provisions of the Act relating to collective bargaining modifications unconstitutional and void. The decision further instructed the parties to make additional filings to the court as to whether the court should issue judgment on the pleadings in light of the court's order or take some other action to bring the case to a final judgment. On December 2, 2024, the court issued an order granting the plaintiffs' motion for judgment on the pleadings and striking down substantial portions of the Act. The court's decision has been appealed to the Wisconsin Court of Appeals. On January 23, 2025, the court granted a motion to stay the decision pending outcome of the appeal. No guarantee can be made regarding the outcome of the matter.

The calculation of the total OPEB liability and fiduciary net position are subject to a number of actuarial assumptions, which may change in future actuarial valuations. Such changes may have a significant impact on the calculation of the net OPEB liability of the LRLIF, which may also cause ETF to change the contribution requirements for employers and employees. For more detailed information, see Note 4 in "APPENDIX A - FINANCIAL STATEMENTS" attached hereto.

LITIGATION

There is no litigation threatened or pending questioning the organization or boundaries of the City or the right of any of its officers to their respective offices or in any manner questioning their rights and power to execute and deliver the Notes or otherwise questioning the validity of the Notes.

MUNICIPAL BANKRUPTCY

Municipalities are prohibited from filing for bankruptcy under Chapter 11 (reorganization) or Chapter 7 (liquidation) of the U.S. Bankruptcy Code (11 U.S.C. §§ 101-1532) (the "Bankruptcy Code"). Instead, the Bankruptcy Code permits municipalities to file a petition under Chapter 9 of the Bankruptcy Code, but only if certain requirements are met. These requirements include that the municipality must be "specifically authorized" under State law to file for relief under Chapter 9. For these purposes, "State law" may include, without limitation, statutes of general applicability enacted by the State legislature, special legislation applicable to a particular municipality, and/or executive orders issued by an appropriate officer of the State's executive branch.

As of the date hereof, Wisconsin law contains no express authority for municipalities to file for bankruptcy relief under Chapter 9 of the Bankruptcy Code.

Nevertheless, there can be no assurance (a) that State law will not change in the future, while the Notes are outstanding, in a way that would allow the City to file for bankruptcy relief under Chapter 9 of the Bankruptcy Code; or (b) even absent such a change in State law, that an executive order or other executive action could not effectively authorize the City to file for relief under Chapter 9. If, in the future, the City were to file a bankruptcy case under Chapter 9, the relevant bankruptcy court would need to consider whether the City could properly do so, which would involve questions regarding State law authority as well as other questions such as whether the City is a municipality for bankruptcy purposes. If the relevant bankruptcy court concluded that the City could properly file a bankruptcy case, and that determination was not reversed, vacated, or otherwise substantially altered on appeal, then the rights of holders of the Notes could be modified in bankruptcy proceedings. Such modifications could be adverse to holders of the Notes, and there could ultimately be no assurance that holders of the Notes would be paid in full or in part on the Notes. Further, under such circumstances, there could be no assurance that the Notes would not be treated as general, unsecured debt by a bankruptcy court, meaning that claims of holders of the Notes could be viewed as having no priority (a) over claims of other creditors of the City; (b) to any particular assets of the City, or (c) to revenues otherwise designated for payment to holders of the Notes.

Moreover, if the City were determined not to be a "municipality" for the purposes of the Bankruptcy Code, no representations can be made regarding whether it would still be eligible for voluntary or involuntary relief under Chapters of the Bankruptcy Code other than Chapter 9 or under similar federal or State law or equitable proceeding regarding insolvency or providing for protection from creditors. In any such case, there can be no assurance that the consequences described above for the holders of the Notes would not occur.

FUNDS ON HAND (as of March 11, 2026)

Fund	Total Cash and Investments
General Fund	\$869,338
Special Revenue Funds	2,634
Community & Economic Development Fund	9,339
Public Library Fund	38,490
Cable Television Fund	9,761
Room Tax & Tourism Funds	1,366
Hillside Cemetery Fund	17,951
Debt Service Fund	1,460,973
Tax Incremental District Fund (#4, #5, #6, #7)	105,412
Columbus Utilities-Electric/Water/Wastewater	<u>4,763,432</u>
Total Funds on Hand	<u><u>\$7,278,696</u></u>

ENTERPRISE FUNDS

Revenues available for debt service for the City's enterprise funds have been as follows as of December 31 each year:

	2023 Audited	2024 Audited	2025 DRAFT
Electric and Waterworks			
Total Operating Revenues	\$9,338,383	\$9,580,787	\$10,211,826
Less: Operating Expenses	<u>(9,014,690)</u>	<u>(8,812,642)</u>	<u>(9,800,965)</u>
Operating Income	\$323,693	\$768,145	\$410,861
Plus: Depreciation	931,214	956,561	993,792
Interest Income	<u>133,746</u>	<u>141,697</u>	<u>121,807</u>
Revenues Available for Debt Service	<u><u>\$1,388,653</u></u>	<u><u>\$1,866,403</u></u>	<u><u>\$1,526,460</u></u>
Sewer			
Total Operating Revenues	\$1,737,822	\$1,747,616	\$1,985,556
Less: Operating Expenses	<u>(1,522,591)</u>	<u>(1,903,955)</u>	<u>(2,494,246)</u>
Operating Income	\$215,231	(\$156,339)	(\$508,690)
Plus: Depreciation	417,939	484,477	794,701
Interest Income	<u>118,617</u>	<u>163,730</u>	<u>123,426</u>
Revenues Available for Debt Service	<u><u>\$751,787</u></u>	<u><u>\$491,868</u></u>	<u><u>\$409,437</u></u>

SUMMARY GENERAL FUND INFORMATION

The following are summaries of the revenues and expenditures and fund balances for the City's General Fund. These summaries are not purported to be the complete audited financial statements of the City, and potential purchasers should read the included financial statements in their entirety for more complete information concerning the City. Copies of the complete statements are available upon request. Appendix A includes the 2024 audited financial statements.

FISCAL YEAR ENDING DECEMBER 31				
COMBINED STATEMENT				
	2022	2023	2024	2025
	Audited	Audited	Audited	Unaudited
Revenues				
Taxes & special assessments	\$2,186,749	\$2,201,933	\$2,333,126	\$2,509,933
Intergovernmental	1,447,595	1,149,679	1,267,273	1,327,362
Licenses and permits	111,926	76,723	97,371	96,500
Fines, forfeitures and penalties	54,486	40,806	5,542	8,500
Public charges for services	188,043	215,823	349,183	256,837
Investment income (loss)	17,970	65,135	74,585	80,435
Miscellaneous revenues	76,843	46,296	43,245	0
Total Revenues	<u>\$4,083,612</u>	<u>\$3,796,395</u>	<u>\$4,170,325</u>	<u>\$4,279,567</u>
Expenditures				
Current:				
General government	\$835,068	\$719,919	\$975,761	\$1,426,760
Public safety	1,466,173	1,701,565	1,881,195	2,052,909
Health and human services	121,662	119,803	138,481	141,068
Public works	829,076	750,198	841,756	772,526
Culture, recreation and education	332,463	351,369	434,106	468,720
Conservation and development	382,802	395,783	268,692	464,446
Total Expenditures	<u>\$3,967,244</u>	<u>\$4,038,637</u>	<u>\$4,539,991</u>	<u>\$5,326,430</u>
Excess of revenues over (under) expenditures	\$116,368	(\$242,242)	(\$369,666)	(\$1,046,863)
Other Financing Sources (Uses)				
Property sales	\$0	\$415,700	\$0	\$0
Transfers in	511,686	507,699	476,038	538,763
Transfers (out)	(218,578)	(73,431)	(312,640)	(44,400)
Total Other Financing Sources (Uses)	<u>293,108</u>	<u>849,968</u>	<u>163,398</u>	<u>494,363</u>
Net changes in Fund Balances	\$409,476	\$607,726	(\$206,268)	(\$552,500)
General Fund Balance January 1	<u>\$2,104,983</u>	<u>\$2,514,459</u>	<u>\$3,122,185</u>	
General Fund Balance December 31	\$2,514,459	\$3,122,185	\$2,915,917	
DETAILS OF DECEMBER 31 FUND BALANCE				
Nonspendable	\$574,531	\$681,265	\$648,277	
Assigned	836,088	1,123,476	1,064,131	
Unassigned	1,103,840	1,317,444	1,203,509	
Total	<u>\$2,514,459</u>	<u>\$3,122,185</u>	<u>\$2,915,917</u>	

¹ The use of fund balance was due, in part, to unexpected maintenance items. The City's fund balance policy is to maintain unassigned general fund balance of 10-25% of the subsequent year's annual general fund operating budget, which the City continues to meet.

GENERAL FUND BUDGET SUMMARY

FISCAL YEAR ENDING DECEMBER 31

COMBINED STATEMENT

	2026 Adopted Budget¹
Revenues	
Taxes & special assessments	\$3,140,875
Intergovernmental	1,380,763
Licenses and permits	109,300
Fines, forfeitures and penalties	4,000
Public charges for services	110,989
Miscellaneous revenues	628,185
Total Revenues (General Fund)	<u>\$5,374,112</u>
Expenditures	
Current:	
General government	\$1,557,820
Public safety	2,144,394
Health and human services	130,051
Public works	894,826
Culture, recreation and education	106,475
Conservation and development	406,922
Engineering and Transfers	133,624
Total Expenditures (General Fund)	<u>\$5,374,112</u>
Excess of revenues over (under) expenditures	\$0

¹ The 2026 budget was adopted on November 4, 2025.

GENERAL INFORMATION

LOCATION

The City, with a 2020 U.S. Census population of 5,540 and a current estimated population of 5,485 comprises an area of 4.58 square miles and is located approximately 30 miles northeast of Madison, Wisconsin.

LARGER EMPLOYERS¹

Larger employers in the City include the following:

Firm	Type of Business/Product	Estimated No. of Employees
American Packaging Corporation	Industrial	500
Prairie Ridge Health	Hospital	242
Enerpac	Industrial	200
Rhodes Bake-N-Serve	Food product manufacturer	170
School District of Columbus	Elementary and secondary education	138
The City	Municipal government and services	116
Wisconsin Academy	Private school	87
Pick N Save	Grocery Store	72
Roberts Manufacturing	Truck & trailer parts manufacturer	70
Lyc0 Manufacturing Inc.	Manufacturing	70

Source: The City, Data Axle Reference Solutions written and telephone survey, Wisconsin Manufacturers Register, and the Wisconsin Department of Workforce Development.

¹This does not purport to be a comprehensive list and is based on available data obtained through a survey of individual employers, as well as the sources identified above.

BUILDING PERMITS

	2022	2023	2024	2025	2026 ¹
<u>New Single Family Homes</u>					
No. of building permits	3	2	1	1	1
Valuation	\$579,000	\$458,000	\$322,000	\$600,000	\$500,000
<u>New Multiple Family Buildings</u>					
No. of building permits	0	0	0	1	0
Valuation	\$0	\$0	\$0	\$7,000,000	\$0
<u>New Commercial/Industrial</u>					
No. of building permits	0	0	4	0	0
Valuation	\$0	\$0	\$6,641,345	\$0	\$0
<u>All Building Permits</u> <i>(including additions and remodelings)</i>					
No. of building permits	176	169	215	170	33
Valuation	\$10,337,782	\$9,198,392	\$13,229,640	\$32,920,288	\$1,116,333

Source: The City.

¹As of March 13, 2026.

U.S. CENSUS DATA

Population Trend: The City

2010 U.S. Census Population	4,991
2020 U.S. Census Population	5,540
Percent of Change 2010 - 2020	11.00%
2025 Estimated Population	5,485

Income and Age Statistics

	The City	Columbia County	State of Wisconsin	United States
2024 per capita income	\$42,780	\$42,924	\$43,373	\$44,673
2024 median household income	\$75,427	\$85,351	\$77,485	\$80,734
2024 median family income	\$89,830	\$101,724	\$100,141	\$99,999
2024 median gross rent	\$874	\$978	\$1,087	\$1,413
2024 median value owner occupied units	\$230,600	\$283,200	\$266,500	\$332,700
2024 median age	40.3 yrs.	43.7 yrs.	40.2 yrs.	38.9 yrs.

	State of Wisconsin	United States
City % of 2024 per capita income	98.63%	95.76%
City % of 2024 median family income	89.70%	89.83%

Housing Statistics

	<u>The City</u>		
	2020	2024	Percent of Change
All Housing Units	2,444	2,499	2.25%

Source: 2010 and 2020 Census of Population and Housing, Wisconsin Demographic Services Center (https://doa.wi.gov/Pages/LocalGovtsGrants/Population_Estimates.aspx) and 2024 American Community Survey (Based on a five-year estimate), U.S. Census Bureau (<https://data.census.gov/cedsci>).

EMPLOYMENT/UNEMPLOYMENT DATA

Rates are not compiled for individual communities with populations under 25,000.

Year	<u>Average Employment</u>		<u>Average Unemployment</u>	
	Columbia County	Columbia County	Columbia County	State of Wisconsin
2021	30,696	3.4%	3.4%	3.8%
2022	30,719	2.6%	2.6%	2.8%
2023	31,026	2.5%	2.5%	2.8%
2024	31,481 ¹	2.7%	2.7%	3.0%
2025, December ¹	31,087	2.7%	2.7%	3.0%

Source: Wisconsin Department of Workforce Development.

¹Preliminary.

FINANCIAL STATEMENTS

Potential purchasers should read the included financial statements in their entirety for more complete information concerning the City's financial position. Such financial statements have been audited by the Auditor, to the extent and for the periods indicated thereon. The City has not requested or engaged the Auditor to perform, and the Auditor has not performed, any additional examination, assessments, procedures or evaluation with respect to such financial statements since the date thereof or with respect to this Official Statement, nor has the City requested that the Auditor consent to the use of such financial statements in this Official Statement. Although the inclusion of the financial statements in this Official Statement is not intended to demonstrate the fiscal condition of the City since the date of the financial statements, in connection with the issuance of the Bonds, the City represents that there have been no material adverse change in the financial position or results of operations of the City, nor has the City incurred any material liabilities, which would make such financial statements misleading.

Copies of the complete audited financial statements for the past three years and the current budget are available upon request from Ehlers.

City of Columbus

Financial Statements and
Supplementary Information

December 31, 2024

City of Columbus

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Independent Auditors' Report

To the City Council of
City of Columbus

Opinions

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund and the aggregate remaining fund information of City of Columbus, Wisconsin (the City), as of and for the year ended December 31, 2024, and the related notes to the financial statements, which collectively comprise City's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the discretely presented component unit, each major fund and the aggregate remaining fund information of City as of December 31, 2024 and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the City and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America; and for the design, implementation and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the City's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the City's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings and certain internal control-related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the required supplementary information, as listed in the table of contents be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Management has omitted the management's discussion and analysis that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such missing information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic or historical context. Our opinions on the basic financial statements are not affected by this missing information.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise City's basic financial statements. The supplementary information as listed in the table of contents is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplementary information is fairly stated in all material respects, in relation to the basic financial statements as a whole.

Baker Tilly US, LLP

Madison, Wisconsin
October 31, 2025

City of Columbus

Statement of Net Position
December 31, 2024

	<u>Governmental Activities</u>	<u>Business- Type Activities</u>	<u>Total</u>	<u>Community Development Authority</u>
Assets and Deferred Outflows of Resources				
Assets				
Cash and investments	\$ 6,901,226	\$ 3,184,488	\$ 10,085,714	\$ 95,302
Receivables (net):				
Taxes receivable	4,924,991	72,761	4,997,752	-
Delinquent personal property taxes	43,631	-	43,631	-
Accrued interest	-	1,400	1,400	-
Accounts	228,342	1,020,944	1,249,286	-
Special assessments	196,838	-	196,838	-
Loans	27,140	-	27,140	-
Other receivables	134	-	134	-
Due from other governments	369,843	-	369,843	-
Internal balances	500,281	(500,281)	-	-
Inventories	2,117	499,966	502,083	-
Prepaid items	111,510	-	111,510	-
Restricted assets:				
Cash and investments	-	2,661,378	2,661,378	-
Other assets	-	427,589	427,589	-
Capital assets:				
Land	1,409,788	210,856	1,620,644	-
Construction in progress	93,941	563,687	657,628	-
Capital assets, being depreciated	18,640,092	32,687,875	51,327,967	-
Total assets	<u>33,449,874</u>	<u>40,830,663</u>	<u>74,280,537</u>	<u>95,302</u>
Deferred Outflows of Resources				
Pension related amounts	1,654,036	626,735	2,280,771	-
OPEB related amounts	52,904	23,783	76,687	-
Total deferred outflows of resources	<u>1,706,940</u>	<u>650,518</u>	<u>2,357,458</u>	<u>-</u>

See notes to financial statements

City of Columbus

Statement of Net Position
December 31, 2024

	<u>Governmental Activities</u>	<u>Business- Type Activities</u>	<u>Total</u>	<u>Community Development Authority</u>
Liabilities, Deferred Inflows of Resources and Net Position				
Liabilities				
Accounts payable	\$ 490,327	\$ 590,291	\$ 1,080,618	\$ 186
Accrued liabilities	153,772	90,940	244,712	396
Deposits	89,415	5,649	95,064	-
Noncurrent liabilities:				
Due within one year	1,032,592	1,068,844	2,101,436	-
Due in more than one year	9,670,764	9,180,157	18,850,921	-
Net pension liability	163,620	87,588	251,208	-
Net OPEB liability	123,645	49,138	172,783	-
Total liabilities	<u>11,724,135</u>	<u>11,072,607</u>	<u>22,796,742</u>	<u>582</u>
Deferred Inflows of Resources				
Unearned revenues	4,940,718	72,761	5,013,479	-
Pension related amounts	985,259	414,950	1,400,209	-
OPEB related amounts	72,680	32,409	105,089	-
Total deferred inflows of resources	<u>5,998,657</u>	<u>520,120</u>	<u>6,518,777</u>	<u>-</u>
Net Position				
Net investment in capital assets	12,836,925	23,844,268	35,522,121	-
Restricted for:				
Debt service	105,734	641,645	747,379	-
Depreciation	-	829,459	829,459	-
Equipment replacement	-	250,785	250,785	-
Energy efficiency programs	-	123,607	123,607	-
Grant programs	41,194	-	41,194	-
TIF projects	394,617	-	394,617	-
Library and other trusts	1,004,685	-	1,004,685	-
Unrestricted	<u>3,050,867</u>	<u>4,198,690</u>	<u>8,408,629</u>	<u>94,720</u>
Total net position	<u>\$ 17,434,022</u>	<u>\$ 29,888,454</u>	<u>\$ 47,322,476</u>	<u>\$ 94,720</u>

See notes to financial statements

City of Columbus

Statement of Activities

Year Ended December 31, 2024

Functions/Programs	Expenses	Program Revenues			Net (Expenses) Revenues and Changes in Net Position			
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government			Component Unit
					Governmental Activities	Business-type Activities	Total	Community Development Authority
Primary Government								
Governmental activities:								
General government	\$ 1,021,687	\$ 78,693	\$ 13,488	\$ -	\$ (929,506)	\$ -	\$ (929,506)	\$ -
Public safety	2,064,528	381,744	76,528	-	(1,606,256)	-	(1,606,256)	-
Public works	1,523,695	392,553	398,938	54,037	(678,167)	-	(678,167)	-
Health and human services	261,002	18,498	-	-	(242,504)	-	(242,504)	-
Culture, education and recreation	1,393,685	287,981	167,363	-	(938,341)	-	(938,341)	-
Conservation and development	798,589	5,463	-	-	(793,126)	-	(793,126)	-
Interest and fiscal charges	304,650	-	-	-	(304,650)	-	(304,650)	-
Total governmental activities	<u>7,367,836</u>	<u>1,164,932</u>	<u>656,317</u>	<u>54,037</u>	<u>(5,492,550)</u>	<u>-</u>	<u>(5,492,550)</u>	<u>-</u>
Business-type activities:								
Water	1,224,244	1,720,655	-	-	-	496,411	496,411	-
Electric	7,681,925	7,860,132	-	1,456	-	179,663	179,663	-
Sewer	2,129,011	1,747,616	-	1,200	-	(380,195)	(380,195)	-
Stormwater	56,772	-	-	-	-	(56,772)	(56,772)	-
Total business-type activities	<u>11,091,952</u>	<u>11,328,403</u>	<u>-</u>	<u>2,656</u>	<u>-</u>	<u>239,107</u>	<u>239,107</u>	<u>-</u>
Total primary government	<u>\$ 18,459,788</u>	<u>\$ 12,493,335</u>	<u>\$ 656,317</u>	<u>\$ 56,693</u>	<u>(5,492,550)</u>	<u>239,107</u>	<u>(5,253,443)</u>	<u>-</u>
Component Unit								
Community Development Authority	<u>\$ 64,294</u>	<u>\$ -</u>	<u>\$ 83,360</u>	<u>\$ -</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>19,066</u>
General Revenues								
Taxes								
Property taxes, levied for general purposes					2,316,234	-	2,316,234	-
Property taxes, levied for debt service					927,279	-	927,279	-
Property taxes, levied for TIF districts					499,149	-	499,149	-
Property taxes, levied for other purposes					487,512	45,572	533,084	-
Other taxes					99,029	-	99,029	-
Intergovernmental revenues not restricted to specific programs					838,520	-	838,520	-
Public gifts and grants					158,031	-	158,031	-
Investment income					198,202	305,464	503,666	3,305
Gain on disposal of assets					9,635	-	9,635	-
Miscellaneous					48,930	-	48,930	-
Transfers					431,289	(431,289)	-	-
Total general revenues and transfers					<u>6,013,810</u>	<u>(80,253)</u>	<u>5,933,557</u>	<u>3,305</u>
Change in net position					521,260	158,854	680,114	22,371
Net Position, Beginning					<u>16,912,762</u>	<u>29,729,600</u>	<u>46,642,362</u>	<u>72,349</u>
Net Position, Ending					<u>\$ 17,434,022</u>	<u>\$ 29,888,454</u>	<u>\$ 47,322,476</u>	<u>\$ 94,720</u>

See notes to financial statements

City of Columbus

Balance Sheet -
Governmental Funds
December 31, 2024

	<u>General</u>	<u>General Debt Service</u>	<u>Capital Projects</u>
Assets			
Cash and investments	\$ 1,984,013	\$ 131,696	\$ 1,822,397
Receivables (net):			
Taxes receivable	2,529,588	1,097,212	-
Delinquent personal property taxes	43,631	-	-
Accounts	114,235	39,076	14,734
Special assessments	-	196,838	-
Loans	-	-	-
Due from other funds	555,224	-	-
Due from other governments	3,742	-	366,101
Advances to other funds	440,345	-	-
Inventories	2,117	-	-
Prepaid items	111,510	-	-
	<u>\$ 5,784,405</u>	<u>\$ 1,464,822</u>	<u>\$ 2,203,232</u>
Liabilities, Deferred Inflows of Resources and Fund Balances			
Liabilities			
Accounts payable	\$ 168,402	\$ -	\$ 32,879
Accrued liabilities	83,109	-	-
Deposits	36,437	-	-
Due to other funds	31,514	-	-
Advances from other funds	-	-	-
	<u>319,462</u>	<u>-</u>	<u>32,879</u>
Total liabilities			
	<u>319,462</u>	<u>-</u>	<u>32,879</u>
Deferred Inflows of Resources			
Unearned revenues	2,540,315	1,097,212	-
Unavailable revenues	8,711	196,838	-
	<u>2,549,026</u>	<u>1,294,050</u>	<u>-</u>
Total deferred inflows of resources			
	<u>2,549,026</u>	<u>1,294,050</u>	<u>-</u>
Fund Balances			
Nonspendable	648,277	-	-
Restricted	-	170,772	1,414,426
Committed	-	-	-
Assigned	1,064,131	-	755,927
Unassigned (deficit)	1,203,509	-	-
	<u>2,915,917</u>	<u>170,772</u>	<u>2,170,353</u>
Total fund balances (deficit)			
	<u>2,915,917</u>	<u>170,772</u>	<u>2,170,353</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 5,784,405</u>	<u>\$ 1,464,822</u>	<u>\$ 2,203,232</u>

See notes to financial statements

Nonmajor Governmental Funds	Total
\$ 2,963,158	\$ 6,901,264
1,298,191	4,924,991
-	43,631
60,431	228,476
-	196,838
27,140	27,140
-	555,224
-	369,843
-	440,345
-	2,117
-	111,510
<u>\$ 4,348,920</u>	<u>\$ 13,801,379</u>

\$ 289,084	\$ 490,365
5,625	88,734
52,978	89,415
73,262	104,776
390,512	390,512

<u>811,461</u>	<u>1,163,802</u>
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1,303,191	4,940,718
-	205,549

<u>1,303,191</u>	<u>5,146,267</u>
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-	648,277
2,176,243	3,761,441
495,691	495,691
-	1,820,058
(437,666)	765,843

<u>2,234,268</u>	<u>7,491,310</u>
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<u>\$ 4,348,920</u>	<u>\$ 13,801,379</u>
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City of Columbus

Reconciliation of the Balance Sheet of Governmental Funds
to the Statement of Net Position
December 31, 2024

Total Fund Balances, Governmental Funds \$ 7,491,310

Amounts reported for governmental activities in the Statement of Net Position are different because:

Capital assets used in governmental funds are not financial resources and therefore are not reported in the funds.

Land	1,409,788
Construction in progress	93,941
Other capital assets	29,596,765
Less accumulated depreciation	(10,956,673)

Some receivables that are not currently available are reported as unavailable revenues in the fund financial statements but are recognized as revenue when earned in the government-wide statements.

205,549

The net pension liability does not relate to current financial resources and is not reported in the governmental funds.

(163,620)

The net OPEB liability does not relate to current financial resources and is not reported in the governmental funds.

(123,645)

Deferred outflows of resources related to pensions and OPEB do not relate to current financial resources and are not reported in the governmental funds

1,706,940

Deferred inflows of resources related to pensions and OPEB do not relate to current financial resources and are not reported in the governmental funds.

(1,057,939)

Some liabilities, including long-term debt, are not due and payable in the current period and, therefore, are not reported in the funds.

Bonds and notes payable	(10,358,214)
Compensated absences	(87,215)
Accrued interest	(65,038)
Unamortized debt premium	(257,927)

Net Position of Governmental Activities

\$ 17,434,022

City of Columbus

Statement of Revenues, Expenditures and Changes in Fund Balances -
Governmental Funds
Year Ended December 31, 2024

	<u>General</u>	<u>General Debt Service</u>	<u>Capital Projects</u>
Revenues			
Taxes	\$ 2,330,979	\$ 927,279	\$ 35,956
Intergovernmental	1,267,273	-	-
Licenses and permits	97,371	-	-
Fines, forfeitures and penalties	5,542	-	-
Public charges for services	349,183	-	-
Intergovernmental charges for services	-	-	-
Special assessments	2,147	58,035	-
Investment income	74,585	7,079	32,523
Miscellaneous revenues	43,245	-	16,900
	<u>4,170,325</u>	<u>992,393</u>	<u>85,379</u>
Total revenues			
Expenditures			
Current:			
General government	975,761	7,000	26,262
Public safety	1,881,195	-	-
Health and human services	138,481	-	-
Public works	841,756	-	-
Culture, recreation and education	434,106	-	-
Conservation and development	268,692	-	14,535
Capital outlay	-	-	954,777
Debt service:			
Principal	-	787,920	-
Interest and fiscal charges	-	230,877	59,262
	<u>4,539,991</u>	<u>1,025,797</u>	<u>1,054,836</u>
Total expenditures			
Excess (deficiency) of revenues over expenditures	<u>(369,666)</u>	<u>(33,404)</u>	<u>(969,457)</u>
Other Financing Sources (Uses)			
General obligation debt issued	-	-	2,410,000
Premium on debt issued	-	106,912	21,579
Transfers in	476,038	107,549	206,000
Transfers out	(312,640)	-	(10,526)
	<u>163,398</u>	<u>214,461</u>	<u>2,627,053</u>
Total other financing sources (uses)			
Net change in fund balances	(206,268)	181,057	1,657,596
Fund Balances (Deficit), Beginning	<u>3,122,185</u>	<u>(10,285)</u>	<u>512,757</u>
Fund Balances, Ending	<u>\$ 2,915,917</u>	<u>\$ 170,772</u>	<u>\$ 2,170,353</u>

See notes to financial statements

Nonmajor Governmental Funds	Total
\$ 1,000,284	\$ 4,294,498
188,440	1,455,713
48,933	146,304
605	6,147
575,951	925,134
120,499	120,499
-	60,182
84,990	199,177
196,154	256,299
<u>2,215,856</u>	<u>7,463,953</u>
24,420	1,033,443
193,108	2,074,303
129,507	267,988
372,615	1,214,371
778,615	1,212,721
495,749	778,976
44,570	999,347
-	787,920
23,206	313,345
<u>2,061,790</u>	<u>8,682,414</u>
<u>154,066</u>	<u>(1,218,461)</u>
810,000	3,220,000
39,518	168,009
106,640	896,227
(141,772)	(464,938)
<u>814,386</u>	<u>3,819,298</u>
968,452	2,600,837
<u>1,265,816</u>	<u>4,890,473</u>
<u>\$ 2,234,268</u>	<u>\$ 7,491,310</u>

See notes to financial statements

City of Columbus

Reconciliation of the Statement of Revenues, Expenditures
and Changes in Fund Balances of Governmental Funds
to the Statement of Activities
Year Ended December 31, 2024

Net Change in Fund Balances, Total Governmental Funds \$ 2,600,837

Amounts reported for governmental activities in the Statement of Activities are different because:

Governmental funds report capital outlays as expenditures. However, in the Statement of Net Position the cost of these assets is capitalized and they are depreciated over their estimated useful lives and reported as depreciation expense in the Statement of Activities.

Capital outlay is reported as an expenditure in the fund financial statements but is capitalized in the government-wide financial statements.	999,347
Some items reported as operating expenditures but are capitalized in the government-wide financial statements.	111,694
Depreciation is reported in the government-wide financial statements.	(740,293)

Receivables not currently available are reported as revenue when collected or currently available in the fund financial statements but are recognized as revenue when earned in the government-wide financial statements.

Special assessments	(3,697)
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Debt issued provides current financial resources to governmental funds, but issuing debt increases long-term liabilities in the Statement of Net Position. Repayment of debt principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the Statement of Net Position.

Debt issued	(3,220,000)
Principal repaid	787,920

Governmental funds report debt premiums and discounts as other financing sources (uses) or financing sources or uses. However, in the statement of net position, these are reported as additions to or deductions from long-term debt. These are allocated over the period the debt is outstanding in the Statement of Activities and are reported as interest expense.

Premium on debt issued	(180,262)
Amortization of debt premium	21,983

Some expenses in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in the governmental funds.

Compensated absences	96,675
Accrued interest on debt	(13,288)
Net pension liability	497,596
Deferred outflows of resources related to pensions and OPEBs	(843,281)
Deferred inflows of resources related to pensions and OPEBs	416,718
Net OPEB liability	(10,689)

Change in Net Position of Governmental Activities \$ 521,260

City of Columbus

Statement of Net Position -
Proprietary Funds
December 31, 2024

	Business-Type Activities - Enterprise Funds			Total
	Water and Light Utility	Sewer Utility	Nonmajor Fund Stormwater Utility	
Assets and Deferred Outflows of Resources				
Assets				
Current assets:				
Cash and investments	\$ 791,626	\$ 194,422	\$ 17,944	\$ 1,003,992
Designated funds account	-	1,114,932	-	1,114,932
Receivables (net):				
Interest	1,400	-	-	1,400
Accounts	880,602	140,342	-	1,020,944
Taxes receivable	-	-	72,761	72,761
Due from other funds	78,264	9,017	-	87,281
Inventories	499,966	-	-	499,966
Restricted assets:				
Redemption account	400,754	234,250	-	635,004
Total current assets	<u>2,652,612</u>	<u>1,692,963</u>	<u>90,705</u>	<u>4,436,280</u>
Noncurrent assets:				
Restricted assets:				
Depreciation account	829,459	-	-	829,459
Replacement account	-	250,785	-	250,785
Reserve account	340,423	482,100	-	822,523
Energy efficiency account	123,607	-	-	123,607
Capital assets:				
Plant in service	33,976,870	28,891,824	265,517	63,134,211
Accumulated depreciation	(15,653,934)	(14,573,423)	(8,123)	(30,235,480)
Construction in progress	454,560	109,127	-	563,687
Other assets:				
Wholesale connection account	-	1,065,564	-	1,065,564
Investment in American Transmission Company	427,589	-	-	427,589
Total noncurrent assets	<u>20,498,574</u>	<u>16,225,977</u>	<u>257,394</u>	<u>36,981,945</u>
Total assets	<u>23,151,186</u>	<u>17,918,940</u>	<u>348,099</u>	<u>41,418,225</u>
Deferred Outflows of Resources				
Deferred outflows related to pension	476,964	149,771	-	626,735
Deferred outflows related to OPEB	19,588	4,195	-	23,783
Total deferred outflows of resources	<u>496,552</u>	<u>153,966</u>	<u>-</u>	<u>650,518</u>

See notes to financial statements

City of Columbus

Statement of Net Position -
Proprietary Funds
December 31, 2024

	Business-Type Activities - Enterprise Funds			
	Water and Light Utility	Sewer Utility	Nonmajor Fund Stormwater Utility	Total
Liabilities, Deferred Inflows of Resources and Net Position				
Liabilities				
Current liabilities:				
Accounts payable	\$ 497,219	\$ 88,477	\$ 4,595	\$ 590,291
Accrued liabilities	32,930	-	426	33,356
Accrued interest	-	3,098	-	3,098
Due to other funds	481,962	55,767	-	537,729
Customer deposits	5,649	-	-	5,649
Compensated absences (current portion)	51,388	20,641	-	72,029
Commitment to community	10,621	-	-	10,621
Notes payable	26,172	-	-	26,172
General obligation debt	140,000	190,915	15,000	345,915
Liabilities payable from restricted assets				
Current portion of revenue bonds	295,000	329,728	-	624,728
Accrued interest	12,905	30,960	-	43,865
Total current liabilities	<u>1,553,846</u>	<u>719,586</u>	<u>20,021</u>	<u>2,293,453</u>
Noncurrent liabilities:				
Long-term debt:				
General obligation bonds	290,000	1,019,519	270,000	1,579,519
Revenue bonds payable	2,075,000	5,382,998	-	7,457,998
Note payable	4,362	-	-	4,362
Net OPEB obligation	19,691	29,447	-	49,138
Unamortized debt premium	64,904	61,152	-	126,056
Net pension liability	65,477	22,111	-	87,588
Advances from other funds	-	-	49,833	49,833
Customer advances for construction	12,222	-	-	12,222
Total noncurrent liabilities	<u>2,531,656</u>	<u>6,515,227</u>	<u>319,833</u>	<u>9,366,716</u>
Total liabilities	<u>4,085,502</u>	<u>7,234,813</u>	<u>339,854</u>	<u>11,660,169</u>
Deferred Inflows of Resources				
Deferred inflows related to pension	288,925	126,025	-	414,950
Deferred inflows related to OPEB	20,173	12,236	-	32,409
Unearned revenues	-	-	72,761	72,761
Total deferred inflows of resources	<u>309,098</u>	<u>138,261</u>	<u>72,761</u>	<u>520,120</u>
Net Position				
Net investment in capital assets	16,222,481	7,621,787	-	23,844,268
Restricted for:				
Debt service	387,849	253,796	-	641,645
Depreciation	829,459	-	-	829,459
Equipment replacement	-	250,785	-	250,785
Energy efficiency programs	123,607	-	-	123,607
Unrestricted net position (deficit)	<u>1,689,742</u>	<u>2,573,464</u>	<u>(64,516)</u>	<u>4,198,690</u>
Total net position	<u>\$ 19,253,138</u>	<u>\$ 10,699,832</u>	<u>\$ (64,516)</u>	<u>\$ 29,888,454</u>

See notes to financial statements

City of Columbus

Statement of Revenues, Expenses and Changes in Net Position -
Proprietary Funds
Year Ended December 31, 2024

	Business-Type Activities - Enterprise Funds			Total
	Water and Light Utility	Sewer Utility	Nonmajor Fund Stormwater Utility	
Operating Revenues	\$ 9,580,787	\$ 1,747,616	\$ -	\$ 11,328,403
Operating Expenses				
Operation and maintenance	7,856,081	1,419,478	57,181	9,332,740
Depreciation	956,561	484,477	8,123	1,449,161
Total operating expenses	<u>8,812,642</u>	<u>1,903,955</u>	<u>65,304</u>	<u>10,781,901</u>
Operating income (loss)	<u>768,145</u>	<u>(156,339)</u>	<u>(65,304)</u>	<u>546,502</u>
Nonoperating Revenues (Expenses)				
Investment income	141,697	163,730	37	305,464
Income (loss) from merchandising and jobbing	(16,638)	-	-	(16,638)
Miscellaneous expenses	(6,862)	(462)	-	(7,324)
Interest expense	(69,236)	(197,402)	(7,637)	(274,275)
Amortization of debt discount / premium	(791)	(27,192)	16,169	(11,814)
Property taxes levied	-	-	45,572	45,572
Total nonoperating expenses	<u>48,170</u>	<u>(61,326)</u>	<u>54,141</u>	<u>40,985</u>
Income (loss) before contributions and transfers	<u>816,315</u>	<u>(217,665)</u>	<u>(11,163)</u>	<u>587,487</u>
Contributions and Transfers				
Capital contributions	1,456	1,200	-	2,656
Transfers, tax equivalent	(431,289)	-	-	(431,289)
Total contributions and transfers	<u>(429,833)</u>	<u>1,200</u>	<u>-</u>	<u>(428,633)</u>
Change in net position	386,482	(216,465)	(11,163)	158,854
Net Position (Deficit), Beginning	<u>18,866,656</u>	<u>10,916,297</u>	<u>(53,353)</u>	<u>29,729,600</u>
Net Position (Deficit), Ending	<u>\$ 19,253,138</u>	<u>\$ 10,699,832</u>	<u>\$ (64,516)</u>	<u>\$ 29,888,454</u>

See notes to financial statements

City of Columbus

Statement of Cash Flows -
Proprietary Funds
Year Ended December 31, 2024

	Business-Type Activities - Enterprise Funds			Total
	Water and Light Utility	Sewer Utility	Nonmajor Fund Stormwater Utility	
Cash Flows From Operating Activities				
Received from customers	\$ 9,540,957	\$ 1,740,990	\$ -	\$ 11,281,947
Received from other funds for services	127,952	-	-	127,952
Paid to suppliers for goods and services	(6,977,928)	(865,680)	(25,233)	(7,868,841)
Paid to employees for services	(961,476)	(445,369)	(29,340)	(1,436,185)
Net cash flows from operating activities	<u>1,729,505</u>	<u>429,941</u>	<u>(54,573)</u>	<u>2,104,873</u>
Cash Flows From Investing Activities				
Investments sold and matured	340,423	1,085,131	-	1,425,554
Investment income	131,566	163,730	37	295,333
Investments purchased	(340,423)	(1,060,187)	-	(1,400,610)
Investment in American Transmission Company	(12,206)	-	-	(12,206)
Net cash flows from investing activities	<u>119,360</u>	<u>188,674</u>	<u>37</u>	<u>308,071</u>
Cash Flows From Noncapital Financing Activities				
Paid to municipality for tax equivalent	(425,030)	-	-	(425,030)
Advances received from (paid to) other funds	-	-	(1,107)	(1,107)
Transfers to other funds	(6,862)	(462)	-	(7,324)
Property taxes received	-	-	45,572	45,572
Net cash flows from noncapital financing activities	<u>(431,892)</u>	<u>(462)</u>	<u>44,465</u>	<u>(387,889)</u>
Cash Flows From Capital and Related Financing Activities				
Debt issued	430,000	955,000	285,000	1,670,000
Debt retired	(290,000)	(430,726)	-	(720,726)
Interest paid	(68,172)	(197,402)	(5,609)	(271,183)
Debt issuance costs	(11,012)	(27,192)	(2,028)	(40,232)
Acquisition and construction of capital assets	(1,280,653)	(1,864,619)	(265,517)	(3,410,789)
Capital contributions received	1,804	1,200	-	3,004
Notes paid	(27,657)	-	-	(27,657)
Premium on debt issued	7,760	61,152	16,169	85,081
Net cash flows from capital and related financing activities	<u>(1,237,930)</u>	<u>(1,502,587)</u>	<u>28,015</u>	<u>(2,712,502)</u>
Net change in cash and cash equivalents	179,043	(884,434)	17,944	(687,447)
Cash and Cash Equivalents, Beginning	<u>1,966,403</u>	<u>3,160,923</u>	<u>-</u>	<u>5,127,326</u>
Cash and Cash Equivalents, Ending	<u>\$ 2,145,446</u>	<u>\$ 2,276,489</u>	<u>\$ 17,944</u>	<u>\$ 4,439,879</u>

See notes to financial statements

City of Columbus

Statement of Cash Flows -
Proprietary Funds
Year Ended December 31, 2024

	Business-Type Activities - Enterprise Funds			
	Water and Light Utility	Sewer Utility	Nonmajor Fund Stormwater Utility	Total
Reconciliation of Operating Income (Loss) to Net Cash Flows From Operating Activities				
Operating income (loss)	\$ 768,145	\$ (156,339)	\$ (65,304)	\$ 546,502
Nonoperating revenue (expense)	(16,638)	-	-	(16,638)
Adjustments to reconcile operating income (loss) to net cash flows from operating activities:				
Depreciation	956,561	484,477	8,123	1,449,161
Depreciation charged to other funds	73,785	-	-	73,785
Changes in assets and liabilities:				
Accounts receivable	102,451	14,611	-	117,062
Due from other funds	(55,767)	(17,879)	-	(73,646)
Inventories	(41,108)	-	-	(41,108)
Accounts payable	(2,696)	55,679	2,366	55,349
Due to other funds	(96,796)	55,767	-	(41,029)
Compensated absences	11,063	(15,887)	-	(4,824)
Other current liabilities	33,091	(1,507)	242	31,826
Pension related deferrals, assets and liabilities	(2,186)	9,384	-	7,198
OPEB related deferrals, assets and liabilities	-	1,635	-	1,635
Commitment to community	(400)	-	-	(400)
Net cash flows from operating activities	<u>\$ 1,729,505</u>	<u>\$ 429,941</u>	<u>\$ (54,573)</u>	<u>\$ 2,104,873</u>
Reconciliation of Cash and Cash Equivalents to the Statement of Net Position, Proprietary Funds				
Cash and investments	\$ 791,626	\$ 194,422	\$ 17,944	\$ 1,003,992
Redemption account	400,754	234,250	-	635,004
Reserve account	340,423	482,100	-	822,523
Depreciation account	829,459	-	-	829,459
Energy efficiency programs	123,607	-	-	123,607
Replacement account	-	250,785	-	250,785
Designated funds	-	1,114,932	-	1,114,932
Wholesale connection charge account	-	1,065,564	-	1,065,564
Total cash and investments	2,485,869	3,342,053	17,944	5,845,866
Less noncash equivalents	<u>(340,423)</u>	<u>(1,065,564)</u>	<u>-</u>	<u>(1,405,987)</u>
Cash and cash equivalents	<u>\$ 2,145,446</u>	<u>\$ 2,276,489</u>	<u>\$ 17,944</u>	<u>\$ 4,439,879</u>
Noncash Capital and Related Financing Activities				
Dividends reinvested in American Transmission Company	<u>\$ 10,722</u>	<u>\$ -</u>	<u>\$ -</u>	
Amortization of bond premium	<u>\$ 10,221</u>	<u>\$ -</u>	<u>\$ -</u>	

See notes to financial statements

City of Columbus

Statement of Fiduciary Net Position -
Fiduciary Fund
December 31, 2024

	Custodial Fund
Assets	
Cash and investments	\$ 4,171,003
Taxes receivable	<u>2,500,181</u>
Total assets	<u>6,671,184</u>
Liabilities	
Due to other governments	<u>6,671,184</u>
Total liabilities	<u>6,671,184</u>
Net Position	
Total net position	<u><u>\$ -</u></u>

See notes to financial statements

City of Columbus

Statement of Changes in Fiduciary Net Position -
Fiduciary Fund
Year Ended December 31, 2024

	<u>Custodial Fund</u>
Additions	
Property taxes collected for other governments	\$ 5,114,639
Total additions	<u>5,114,639</u>
Deductions	
Property taxes distributed to other governments	<u>5,114,639</u>
Total deductions	<u>5,114,639</u>
Change in fiduciary net position	-
Net Position, Beginning	<u>-</u>
Net Position, Ending	<u><u>\$ -</u></u>

City of Columbus

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December 31, 2024

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City of Columbus

Notes to Financial Statements
December 31, 2024

1. Summary of Significant Accounting Policies

The accounting policies of the City of Columbus, Wisconsin (the City) conform to accounting principles generally accepted in the United States of America as applicable to governmental units. The accepted standard-setting body for establishing governmental accounting and financial reporting principles is the Governmental Accounting Standards Board (GASB).

Reporting Entity

This report includes all of the funds of the City. The reporting entity for the City consists of the primary government and its component unit. Component units are legally separate organizations for which the primary government is financially accountable or other organizations for which the nature and significance of their relationship with the primary government are such that their exclusion would cause the reporting entity's financial statements to be misleading. The primary government is financially accountable if (1) it appoints a voting majority of the organization's governing body and it is able to impose its will on that organization, (2) it appoints a voting majority of the organization's governing body and there is a potential for the organization to provide specific financial benefits to, or impose specific financial burdens on, the primary government, (3) the organization is fiscally dependent on and there is a potential for the organization to provide specific financial benefits to, or impose specific financial burdens on, the primary government. Certain legally separate, tax exempt organizations should also be reported as a component unit if all of the following criteria are met: (1) the economic resources received or held by the separate organization are entirely or almost entirely for the direct benefit of the primary government, its component units or its constituents; (2) the primary government or its component units, is entitled to, or has the ability to access, a majority of the economic resources received or held by the separate organization; and (3) the economic resources received or held by an individual organization that the primary government, or its component units, is entitled to, or has the ability to otherwise access, are significant to the primary government.

Component units are reported using one of three methods, discrete presentation, blended or fiduciary. Generally, component units should be discretely presented in a separate column in the financial statements. A component unit should be reported as part of the primary government using the blending method if it meets any one of the following criteria: (1) the primary government and the component unit have substantively the same governing body and a financial benefit or burden relationship exists, (2) the primary government and the component unit have substantively the same governing body and management of the primary government has operational responsibility for the component unit, (3) the component unit serves or benefits, exclusively or almost exclusively, the primary government rather than its citizens or (4) the total debt of the component unit will be paid entirely or almost entirely from resources of the primary government.

Discretely Presented Component Unit

Community Development Authority

The government-wide financial statements include the Community Development Authority (CDA) as a component unit. The CDA is a legally separate organization. The board of the CDA is appointed by the mayor. Wisconsin Statutes provide for circumstances whereby the City can impose its will on the CDA, and also create a potential financial benefit to or burden on the City. See Note 3. As a component unit, the CDA's financial statements have been presented as a discrete column in the financial statements. The information presented is for the fiscal year ended December 31, 2024. The CDA does not issue separate financial statements.

Government-Wide and Fund Financial Statements

In June 2022, the GASB issued Statement No. 101, *Compensated Absences*. This Statement requires that liabilities for compensated absences be recognized in financial statements prepared using the economic resources measurement focus for (1) leave that has not been used and (2) leave that has been used but not yet paid in cash or settled through noncash means. A liability should be recognized for leave that has not been used if (a) the leave is attributable to services already rendered, (b) the leave accumulates and (c) the leave is more likely than not to be used for time off or otherwise paid in cash or settled through noncash means. This standard was implemented January 1, 2024; however, the impact of this implementation was not material to the financial statements.

Government-Wide Financial Statements

The statement of net position and statement of activities display information about the reporting government as a whole. They include all funds of the reporting entity except for fiduciary funds. The statements distinguish between governmental and business-type activities. Governmental activities generally are financed through taxes, intergovernmental revenues and other nonexchange revenues. Business-type activities are financed in whole or in part by fees charged to external parties for goods or services. Likewise, the primary government is reported separately from certain legally separate component units for which the primary government is financially accountable.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. The City does not allocate indirect expenses to functions in the statement of activities. Program revenues include 1) charges to customers or applicants who purchase, use or directly benefit from goods, services or privileges provided by a given function or segment, and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not included among program revenues are reported as general revenues. Internally dedicated resources are reported as general revenues rather than as program revenues.

Fund Financial Statements

Financial statements of the City are organized into funds, each of which is considered to be a separate accounting entity. Each fund is accounted for by providing a separate set of self-balancing accounts, which constitute its assets, deferred outflows of resources, liabilities, deferred inflows of resources, net position/fund balance, revenues and expenditures/expenses.

Funds are organized as major funds or nonmajor funds within the governmental and proprietary statements. An emphasis is placed on major funds within the governmental and proprietary categories. A fund is considered major if it is the primary operating fund of the City or meets the following criteria:

- a. Total assets/deferred outflows of resources, liabilities/deferred inflows of resources, revenues or expenditures/expenses of that individual governmental or enterprise fund are at least 10% of the corresponding total for all funds of that category or type, and
- b. The same element of the individual governmental or enterprise fund that met the 10% test is at least 5% of the corresponding total for all governmental and enterprise funds combined.
- c. In addition, any other governmental or enterprise fund that the City believes is particularly important to financial statement users may be reported as a major fund.

City of Columbus

Notes to Financial Statements
December 31, 2024

Separate financial statements are provided for governmental funds, proprietary funds and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements.

The City reports the following major governmental funds:

General Fund

General Fund accounts for the City's primary operating activities. It is used to account for and report all financial resources except those accounted for and reported in another fund.

Debt Service Fund

General Debt Service is used to account for and report financial resources that are restricted, committed or assigned to expenditure for the payment of general long-term debt principal, interest and related costs, other than TID or enterprise debt.

Capital Projects Fund

Capital Projects is used to account for and report financial resources that are restricted, committed or assigned to expenditures for capital outlays, including the acquisition or construction of capital facilities and other capital assets for the City.

Enterprise Funds

The City reports the following major enterprise funds:

Water and Light Utility accounts for operations of the Water and Light system.

Sewer Utility accounts for operations of the Sewer system.

The City reports the following nonmajor governmental and enterprise funds:

Special Revenue Funds

Special Revenue Funds are used to account for and report the proceeds of specific revenue sources that are restricted or committed to expenditures for specified purposes (other than debt service or capital projects).

Cemetery Fund	Cable TV Fund
Room Tax Fund	Library Fund
Solid Waste Fund	Library Board
Pool Fund	Development Fees Fund
Ward Beautification	Joint EMS Fund
Historical Landmarks and Preservation	Tourism
Parks Fund	Loan Fund

Capital Projects Funds

Capital Projects Funds are used to account for and report financial resources that are restricted, committed or assigned to expenditure for capital outlays, including the acquisition or construction of capital facilities and other capital assets.

TIF No. 3	TIF No. 4
TIF No. 5	TIF No. 6
TIF No. 7	

Enterprise Funds

Enterprise Funds are used to account for and report any activity for which a fee is charged to external users for goods or services, and must be used for activities which meet certain debt or cost recovery criteria.

Stormwater Utility

In addition, the City reports the following fund type:

Custodial Funds

Custodial Fund is used to account for and report assets controlled by the City and the assets are for the benefit of individuals, private organizations and/or other governmental units.

Tax Collection Fund

Measurement Focus, Basis of Accounting and Financial Statement Presentation

Government-Wide Financial Statements

The government-wide statement of net position and statement of activities are reported using the economic resources measurement focus and the accrual basis of accounting. Under the accrual basis of accounting, revenues are recognized when earned and expenses are recorded when the liability is incurred or economic asset used. Revenues, expenses, gains, losses, assets and liabilities resulting from exchange and exchange-like transactions are recognized when the exchange takes place. Property taxes are recognized as revenues in the year for which they are levied. Taxes receivable for the following year are recorded as receivables and deferred inflows. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider are met. Special assessments are recorded as revenue when earned. Unbilled receivables are recorded as revenues when services are provided.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are charges between the City's water and light and sewer utilities and various other functions of the government. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

Fund Financial Statements

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recorded when they are both measurable and available. Available means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. For this purpose, the City considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures are recorded when the related fund liability is incurred, except for unmatured interest on long-term debt, claims, judgments, compensated absences and pension expenditures, which are recorded as a fund liability when expected to be paid with expendable available financial resources.

Property taxes are recorded in the year levied as receivables and deferred inflows. They are recognized as revenues in the succeeding year when services financed by the levy are being provided.

City of Columbus

Notes to Financial Statements
December 31, 2024

Intergovernmental aids and grants are recognized as revenues in the period the City is entitled to the resources and the amounts are available. Amounts owed to the City which are not available are recorded as receivables and unavailable revenues. Amounts received before eligibility requirements (excluding time requirements) are met are recorded as liabilities. Amounts received in advance of meeting time requirements are recorded as deferred inflows.

Special assessments are recorded as revenues when they become measurable and available as current assets. Annual installments due in future years are reflected as receivables and unavailable revenues. Delinquent special assessments being held for collection by the county are reported as receivables and nonspendable fund balance in the general fund.

Revenues susceptible to accrual include property taxes, miscellaneous taxes, public charges for services, special assessments and interest. Other general revenues such as fines and forfeitures, inspection fees, recreation fees and miscellaneous revenues are recognized when received in cash or when measurable and available under the criteria described above.

Proprietary and Fiduciary Funds

Proprietary and fiduciary fund financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as described previously in this note.

The proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the water and light and sewer utilities are charges to customers for sales and services. Special assessments are recorded as receivables and contribution revenue when levied. Operating expenses for proprietary funds include the cost of sales and services, administrative expenses and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

All Financial Statements

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets, deferred outflows of resources, liabilities and deferred inflows of resources and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenditures/expenses during the reporting period. Actual results could differ from those estimates.

Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources and Net Position or Equity

Deposits and Investments

For purposes of the statement of cash flows, the City considers all highly liquid investments with an initial maturity of three months or less when acquired to be cash equivalents.

Investment of City funds is restricted by Wisconsin state statutes. Available investments are limited to:

- a. Time deposits in any credit union, bank, savings bank or trust company.
- b. Bonds or securities of any county, city, drainage district, technical college district, village, town or school district of the state. Also, bonds issued by a local exposition district, a local professional baseball park district, a local professional football stadium district, a local cultural arts district, the University of Wisconsin Hospitals and Clinics Authority or the Wisconsin Aerospace Authority.

City of Columbus

Notes to Financial Statements
December 31, 2024

- c. Bonds or securities issued or guaranteed by the federal government.
- d. The local government investment pool.
- e. Any security maturing in seven years or less and having the highest or second highest rating category of a nationally recognized rating agency.
- f. Securities of an open-end management investment company or investment trust, subject to various conditions and investment options.
- g. Repurchase agreements with public depositories, with certain conditions.

Investment of most trust funds including cemetery perpetual care funds, is regulated by Chapter 881 of the Wisconsin Statutes. Investment of library trust funds is regulated by Chapter 112. Those sections give broad authority to use such funds to acquire various kinds of investments including stocks, bonds and debentures.

The City has adopted an investment policy. That policy follows the state statute for allowable investments.

In relation to custodial credit risk, the City's investment policy states that all deposits and investments should be collateralized in full. The collateral should be held by the City or an independent third party custodian. The investment policy does not address credit risk.

Investments are stated at fair value, which is the amount at which an investment could be exchanged in a current transaction between willing parties. No investments are reported at amortized cost. Adjustments necessary to record investments at fair value are recorded in the operating statement as increases or decreases in investment income. Investment income on commingled investments of municipal accounting funds is allocated based on average balances. The difference between the bank statement balance and carrying value is due to outstanding checks and/or deposits in transit.

The Wisconsin Local Government Investment Pool (LGIP) is part of the State Investment Fund (SIF) and is managed by the State of Wisconsin Investment Board. The SIF is not registered with the Securities and Exchange Commission, but operates under the statutory authority of Wisconsin Chapter 25. The SIF reports the fair value of its underlying assets annually. Participants in the LGIP have the right to withdraw their funds in total on one day's notice. At December 31, 2024, the fair value of the City's share of the LGIP's assets was substantially equal to the amount as reported in these statements.

See Note 3 for further information.

Receivables

Property taxes are levied in December on the assessed value as of the prior January 1. In addition to property taxes for the City, taxes are collected for and remitted to the county government as well as the local school district and technical college district. Taxes for all state and local governmental units billed in the current year for the succeeding year are reflected as receivables and due to other taxing units on the accompanying statement of fiduciary net position.

Property tax calendar - 2024 tax roll:

Lien date and levy date	December 2024
Tax bills mailed	December 2024
Payment in full, or	January 31, 2025
First installment due	January 31, 2025
Second installment due	July 31, 2025
Tax sale - 2024 delinquent real estate taxes	October 2027

City of Columbus

Notes to Financial Statements
December 31, 2024

Delinquent real estate taxes as of July 31 are paid in full by the County, which assumes the collection thereof. No provision for uncollectible accounts receivable has been made for the water and light and sewer utilities because they have the right by law to place substantially all delinquent bills on the tax roll and other delinquent bills are generally not significant.

During the course of operations, transactions occur between individual funds that may result in amounts owed between funds. Short-term interfund loans are reported as "due to and from other funds." Long-term interfund loans (noncurrent portion) are reported as "advances from and to other funds." Interfund receivables and payables between funds within governmental activities are eliminated in the statement of net position. Any residual balances outstanding between the governmental activities and business-type activities are reported in the governmental-wide financial statements as internal balances.

In the governmental fund financial statements, advances to other funds are offset equally by a nonspendable fund balance account which indicates that they do not constitute expendable available financial resources and, therefore, are not available for appropriation or by a restricted fund balance account, if the funds will ultimately be restricted when the advance is repaid.

It is the City's policy to record revenue when the initial loan is made from the federal and state grant funds. The net amount of the loan receivable balance is included in restricted fund balance. Interest received from loan repayments is recognized as revenue when received in cash. Any unspent loan repayments at year end are presented as restricted fund balance in the fund financial statements.

Inventories

Governmental fund inventories, if material, are recorded at cost based on the FIFO method using the purchases method of accounting. Proprietary fund inventories are generally used for construction and/or for operation and maintenance work. They are not for resale. They are valued at cost based on weighted average and charged to construction and/or operation and maintenance expense when used.

Restricted Assets

Mandatory segregations of assets are presented as restricted assets. Such segregations are required by bond agreements and other external parties. Current liabilities payable from these restricted assets are so classified. The excess of restricted assets over current liabilities payable from restricted assets will be used first for retirement of related long-term debt. The remainder, if generated from earnings, is shown as restricted net position.

Designated Funds

The sewer utility has established designated cash accounts for the replacement of mains, lift station pumps and vehicles.

Capital Assets

Government-Wide Financial Statements

Capital assets, which include property, plant and equipment are reported in the government-wide financial statements. Capital assets are defined by the government as assets with an initial cost of more than \$5,000 general capital assets and \$25,000 for infrastructure assets and an estimated useful life in excess of one year. All capital assets are valued at historical cost or estimated historical cost if actual amounts are unavailable. Donated capital assets are recorded at their estimated acquisition value at the date of donation.

City of Columbus

Notes to Financial Statements
December 31, 2024

Additions to and replacements of capital assets of business-type activities are recorded at original cost, which includes material, labor and overhead. The cost of renewals and betterments relating to retirement units is added to plant accounts. The cost of property replaced, retired or otherwise disposed of, is deducted from plant accounts and, generally, together with removal costs less salvage, is charged to accumulated depreciation.

Depreciation of all exhaustible capital assets is recorded as an allocated expense in the statement of activities, with accumulated depreciation reflected in the statement of net position. Depreciation is provided over the assets' estimated useful lives using the straight-line method. The range of estimated useful lives by type of asset is as follows:

Buildings	30-125	Years
Land improvements	25	Years
Machinery and equipment	5-50	Years
Utility system	4-100	Years
Infrastructure	60	Years
Improvements to buildings	30	Years

Fund Financial Statements

In the fund financial statements, capital assets used in governmental fund operations are accounted for as capital outlay expenditures of the governmental fund upon acquisition. Capital assets used in proprietary fund operations are accounted for the same way as in the government-wide statements.

Other Assets

Other assets include an amount for investment in American Transmission Company (ATC). The electric utility is a member of ATC, which was formed by approximately 25 utilities to plan, construct, maintain, monitor and own electric transmission facilities in Wisconsin. The electric utility owns less than 1/2 of one percent of ATC. The investment earns dividends quarterly, some of which are paid in cash and some of which are required to be reinvested. The electric utility has the option to contribute additional funds to maintain their proportionate share of ownership. The investment is valued at net asset value per share, which is equal to the original cost plus additional contributions and reinvested dividends and approximates fair value.

Deferred Outflows of Resources

A deferred outflow of resources represents a consumption of net assets that applies to a future period and will not be recognized as an outflow of resources (expense/expenditure) until that future time.

Compensated Absences

Under terms of employment, employees are granted sick leave and vacations in varying amounts.

Vacation and sick leave pay is accrued in the government-wide and proprietary fund financial statements. A liability for these amounts is reported in governmental funds only if they have matured, for example, as a result of employee resignations and retirements, and are payable with expendable resources.

Payments for vacation and sick leave will be made at rates in effect when the benefits are used. Accumulated vacation and sick leave liabilities at December 31, 2024, are determined on the basis of current salary rates and include salary related payments.

Long-Term Obligations/Conduit Debt

All long-term obligations to be repaid from governmental and business-type resources are reported as liabilities in the government-wide statements. The long-term obligations consist primarily of notes and bonds payable and accrued compensated absences.

Long-term obligations for governmental funds are not reported as liabilities in the fund financial statements. The face value of debts (plus any premiums) are reported as other financing sources and payments of principal and interest are reported as expenditures. The accounting in proprietary funds is the same as it is in the government-wide statements.

For the government-wide statements and proprietary fund statements, bond premiums and discounts are amortized over the life of the issue using the effective interest method. The balance at year end is shown as an increase or decrease in the liability section of the statement of net position.

The City has approved the issuance of industrial revenue bonds (IRB) for the benefit of private business enterprises. IRB's are secured by mortgages or revenue agreements on the associated projects, and do not constitute indebtedness of the City. Accordingly, the bonds are not reported as liabilities in the accompanying financial statements. At year end, the aggregate principal amount for the eight series outstanding could not be determined; however, their original issue amounts totaled \$39,030,000.

Deferred Inflows of Resources

A deferred inflow of resources represents an acquisition of net assets that applies to a future period and therefore will not be recognized as an inflow of resources (revenue) until that future time.

Equity Classifications

Government-Wide Statements

Equity is classified as net position and displayed in three components:

- a. **Net Investment in Capital Assets** - Consists of capital assets including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances (excluding unspent debt proceeds) of any bonds, mortgages, notes or other borrowings that are attributable to the acquisition, construction or improvement of those assets.
- b. **Restricted Net Position** - Consists of net position with constraints placed on their use either by 1) external groups such as creditors, grantors, contributors or laws or regulations of other governments or, 2) law through constitutional provisions or enabling legislation.
- c. **Unrestricted Net Position** - All other net positions that do not meet the definitions of "restricted" or "net investment in capital assets."

City of Columbus

Notes to Financial Statements
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The net position section includes an adjustment for capital assets owned by the business-type activities column, but financed by the debt of the governmental activities column. The amount is a reduction of "net investment in capital assets" and an increase in "unrestricted" net position, shown only in the total column. A reconciliation of this adjustment is as follows:

	<u>Governmental Activities</u>	<u>Business-Type Activities</u>	<u>Adjustment</u>	<u>Total</u>
Net investment in capital assets	\$ 12,836,925	\$ 23,844,268	\$ (1,159,072)	\$ 35,522,121
Unrestricted	3,050,867	4,198,690	1,159,072	8,408,629

When both restricted and unrestricted resources are available for use, it is the City's policy to use restricted resources first, then unrestricted resources as they are needed.

Fund Statements

Governmental fund balances are displayed as follows:

- a. **Nonspendable** - Includes fund balance amounts that cannot be spent either because they are not in spendable form or because legal or contractual requirements require them to be maintained intact.
- b. **Restricted** - Consists of fund balances with constraints placed on their use either by 1) external groups such as creditors, grantors, contributors or laws or regulations of other governments or 2) law through constitutional provisions or enabling legislation.
- c. **Committed** - Includes fund balance amounts that are constrained for specific purposes that are internally imposed by the government through formal action of the highest level of decision making authority. Fund balance amounts are committed through a formal action (resolution) of the City Council. This formal action must occur prior to the end of the reporting period, but the amount of the commitment, which will be subject to the constraints, may be determined in the subsequent period. Any changes to the constraints imposed require the same formal action of the City Council that originally created the commitment.
- d. **Assigned** - Includes spendable fund balance amounts that are intended to be used for specific purposes that do not meet the criteria to be classified as restricted or committed. The Council may take official action to assign amounts. Assignments may take place after the end of the reporting period.
- e. **Unassigned** - Includes residual positive fund balance within the general fund which has not been classified within the other above mentioned categories. Unassigned fund balance may also include negative balances for any governmental fund if expenditures exceed amounts restricted, committed or assigned for those purposes.

Proprietary fund equity is classified the same as in the government-wide statements.

The City considers restricted amounts to be spent first when both restricted and unrestricted fund balance is available unless there are legal documents / contracts that prohibit doing this, such as in grant agreements requiring dollar for dollar spending. Additionally, the City would first use committed, then assigned and lastly unassigned amounts of unrestricted fund balance when expenditures are made.

The City has a formal fund balance policy. That policy is to maintain unassigned general fund balance of 10-25% of the subsequent year's annual general fund operating budget. The balance at year end was \$1,203,509 or 22% and is included in unassigned general fund balance.

See Note 3 for further information.

Pension

The fiduciary net position of the Wisconsin Retirement System (WRS) has been determined using the flow of economic resources measurement focus and accrual basis of accounting. This includes for purposes of measuring the following:

- Net Pension Liability (Asset);
- Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions; and
- Pension Expense (Revenue).

Information about the fiduciary net position of the WRS and additions to/deductions from WRS' fiduciary net position have been determined on the same basis as they are reported by the WRS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

Postemployment Benefits Other Than Pensions (OPEB)

The fiduciary net position of the Local Retiree Life Insurance Fund (LRLIF) has been determined using the flow of economic resources measurement focus and the accrual basis of accounting. This includes for purposes of measuring following:

- Net OPEB Liability (Asset);
- Deferred Outflows of Resources and Deferred Inflows of Resources Related to Other Postemployment Benefits; and
- OPEB Expense (Revenue).

Information about the fiduciary net position of the LRLIF and additions to/deductions from LRLIF's fiduciary net position have been determined on the same basis as they are reported by LRLIF. For this purpose, benefit payments (including refunds of member contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

City of Columbus

Notes to Financial Statements
December 31, 2024

Basis for Existing Rates

Electric Utility

Current electric rates were approved by the Public Service Commission of Wisconsin on February 2, 2024 and placed into effect on February 29, 2024. The rates are designed to provide a 6.50% return on rate base.

Water Utility

Current water rates were approved by the Public Service Commission of Wisconsin on November 17, 2023 and became effective February 1, 2024. The rates are designed to provide a 6.50% return on rate base.

Sewer Utility

Current sewer rates were approved by the city council with an effective date of November 22, 2022. Rates charged to the Town of Elba and Village of Fall River were approved by the city council with an effective date of April 1, 2018.

2. Stewardship, Compliance and Accountability

Budgetary Information

A budget has been adopted for the general fund, certain special revenue funds, the debt service fund and certain capital projects funds. A budget has not been formally adopted for other funds. Wisconsin Statute 65.90 requires that an annual budget be adopted for all funds.

Excess Expenditures and Other Financing Uses Over Budget

<u>Funds</u>	<u>Budgeted Expenditures</u>	<u>Actual Expenditures</u>	<u>Excess Expenditures Over Budget</u>
Room Tax	\$ 55,000	\$ 58,421	\$ 3,421
TIF No. 3	-	17,444	17,444
TIF No. 4	402,063	415,172	13,109
Library Fund	463,733	465,517	1,784
Library Board	-	8,520	8,520
Pool Fund	289,270	295,713	6,443
Historic Landmarks and Preservation	-	8,150	8,150

The City controls expenditures at the department level. Some individual departments experienced expenditures which exceeded appropriations. The detail of those items can be found in the City's year-end budget to actual report.

City of Columbus

Notes to Financial Statements
December 31, 2024

Deficit Balances

Generally accepted accounting principles require disclosure of individual funds that have deficit balances at year end.

As of December 31, 2024, the following individual funds held a deficit balance:

<u>Fund</u>	<u>Amount</u>	<u>Reason</u>
Solid Waste Fund	\$ 63,086	Expenditures in excess of revenues
Pool Fund	255,129	Expenditures in excess of revenues
TIF No. 3	143	Costs exceeded increment
TIF No. 5	57,790	Costs exceeded increment
TIF No. 6	50,084	Costs exceeded increment
Development Fees Fund	11,434	Uncollectible fees

TIF district deficits are anticipated to be funded with future incremental taxes levied over the life of the districts, which is 27 years for the districts created before October 1, 1995, and 23 years for districts created thereafter through September 30, 2004. Beginning October 1, 2004, the life of new districts varies by type of district (20-27 years) and may be extended in some cases. Other fund deficits are anticipated to be funded with future contributions, general tax revenues, or long-term borrowing.

Limitations on the City's Tax Levy

Wisconsin law limits the City's future tax levies. Generally the City is limited to its prior tax levy dollar amount (excluding TIF Districts), increased by the greater of the percentage change in the City's equalized value due to net new construction or zero percent. Changes in debt service from one year to the next are generally exempt from this limit with certain exceptions. The City is required to reduce its allowable levy by the estimated amount of fee revenue it collects for certain services, if those services were funded in 2013 by the property tax levy. Levies can be increased above the allowable limits if the amount is approved by referendum.

City of Columbus

Notes to Financial Statements
December 31, 2024

3. Detailed Notes on All Funds

Deposits and Investments

The City maintains a cash and investment pool that is available for use by all funds. Each fund type's portion of this pool is displayed on the statement of net position and balance sheet as cash and investments.

The City's deposits and investments at year end were comprised of the following:

	<u>Carrying Value</u>	<u>Statement Balances</u>	<u>Associated Risks</u>
Deposits	\$ 10,356,200	\$ 11,383,792	Custodial credit risk
LGIP	6,238,576	6,238,576	Credit risk
SCLS Foundation, mutual funds other than bonds	418,121	418,121	N/A
Petty cash	<u>500</u>	<u>-</u>	N/A
Total deposits and investments	<u>\$ 17,013,397</u>	<u>\$ 18,040,489</u>	

Reconciliation to financial statements

Per statement of net position:

Unrestricted cash and investments, primary government	\$ 10,085,714
Restricted cash and investments, primary government	2,661,378
Unrestricted cash and investments, component unit	95,302

Per statement of net position, fiduciary fund:

Custodial Fund	<u>4,171,003</u>
----------------	------------------

Total deposits and investments \$ 17,013,397

Deposits in each local and area bank are insured by the FDIC in the amount of \$250,000 for time and savings accounts (including NOW accounts) and \$250,000 for demand deposit accounts (interest-bearing and non-interest-bearing). In addition, if deposits are held in an institution outside of the state in which the government is located, insured amounts are further limited to a total of \$250,000 for the combined amount of all deposit accounts.

Bank accounts are also insured by the State Deposit Guarantee Fund in the amount of \$1,000,000. However, due to the nature of this fund, recovery of material principal losses may not be significant to individual municipalities. This coverage has been considered in computing custodial credit risk.

The City maintains collateral agreements with its banks. At December 31, 2024, the banks had pledged various government securities in the amount of \$5,327,789 to secure the City's deposits.

Custodial Credit Risk

Deposits

Custodial credit risk is the risk that in the event of a financial institution failure, the City's deposits may not be returned to the City.

City of Columbus

Notes to Financial Statements
December 31, 2024

As of December 31, 2024, \$1,343,559 of the City's total bank balances were exposed to custodial credit risk as follows:

Uninsured and uncollateralized	<u>\$ 1,343,559</u>
Total	<u><u>\$ 1,343,559</u></u>

Credit Risk

Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations.

The City had investments in the external Wisconsin Local Government Investment Pool which is not rated.

See Note 1 for further information on deposit and investment policies.

Receivables

Receivables as of year end for the government's individual major funds and nonmajor funds in the aggregate, including the applicable allowances for uncollectible accounts, are as follows:

	<u>General Fund</u>	<u>Debt Service</u>	<u>Nonmajor and Other Funds</u>	<u>Total</u>
Amounts not expected to be collected within one year	\$ 43,631	\$ 196,838	\$ 27,140	\$ 267,609

Governmental funds report *unavailable* or *unearned revenue* in connection with receivables for revenues that are not considered to be available to liquidate liabilities of the current period. Property taxes levied for the subsequent year are not earned and cannot be used to liquidate liabilities of the current period. Governmental funds also defer revenue recognition in connection with resources that have been received, but not yet earned. At the end of the current fiscal year, the various components of *unavailable revenue* and *unearned revenue* reported in the governmental funds were as follows:

	<u>Unearned</u>	<u>Unavailable</u>
Property taxes receivable for subsequent year	\$ 4,940,718	\$ -
Special assessments not yet due	-	196,838
Miscellaneous	-	8,711
Total unearned/unavailable revenue for governmental funds	<u><u>\$ 4,940,718</u></u>	<u><u>\$ 205,549</u></u>

Restricted Assets

The following represent the balances of the restricted assets:

Long-Term Debt Accounts

Redemption - Used to segregate resources accumulated for debt service payments over the next twelve months.

Reserve - Used to report resources set aside to make up potential future deficiencies in the redemption account.

Depreciation - Used to report resources set aside to fund plant renewals and replacement or make up potential future deficiencies in the redemption account.

City of Columbus

Notes to Financial Statements
December 31, 2024

Equipment Replacement Account

The sewer utility established an equipment replacement account to be used for significant mechanical equipment replacement as required by the Wisconsin Department of Natural Resources.

Energy Efficiency Program

In conjunction with the electric utility's last rate case in 2012, the utility participates in its own energy efficiency program funded by rate payers. Money collected is restricted for use specific to energy efficiency programs maintained by the utility.

Following is a list of restricted assets at December 31, 2024:

Restricted assets:	
Redemption account	\$ 635,004
Reserve account	822,523
Depreciation account	829,459
Equipment replacement account	250,785
Energy efficiency program	<u>123,607</u>
Total restricted assets	<u>\$ 2,661,378</u>

Capital Assets

Capital asset activity for the year ended December 31, 2024, was as follows:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Deletions</u>	<u>Ending Balance</u>
Governmental Activities				
Capital assets not being depreciated:				
Land	\$ 1,409,788	\$ -	\$ -	\$ 1,409,788
Construction in progress	<u>57,375</u>	<u>36,566</u>	-	<u>93,941</u>
Total capital assets not being depreciated	<u>1,467,163</u>	<u>36,566</u>	-	<u>1,503,729</u>
Capital assets being depreciated:				
Land improvements	429,765	25,251	-	455,016
Buildings	6,346,141	-	-	6,346,141
Machinery and equipment	4,448,081	224,799	66,228	4,606,652
Streets	9,934,226	817,775	-	10,752,001
Storm sewers	3,486,487	-	-	3,486,487
Improvements to buildings	1,459,755	6,650	-	1,466,405
Sidewalks	791,231	-	-	791,231
Bridges	1,067,984	-	-	1,067,984
Dams	<u>624,848</u>	-	-	<u>624,848</u>
Total capital assets being depreciated	<u>28,588,518</u>	<u>1,074,475</u>	<u>66,228</u>	<u>29,596,765</u>
Total capital assets	<u>30,055,681</u>	<u>1,111,041</u>	<u>66,228</u>	<u>31,100,494</u>

City of Columbus

Notes to Financial Statements
December 31, 2024

	Beginning Balance	Additions	Deletions	Ending Balance
Less accumulated depreciation for:				
Land improvements	\$ (214,727)	\$ (17,854)	\$ -	\$ (232,581)
Buildings	(2,365,125)	(109,093)	-	(2,474,218)
Machinery and equipment	(3,138,806)	(285,700)	66,228	(3,358,278)
Streets	(2,829,498)	(179,124)	-	(3,008,622)
Storm sewers	(655,705)	(58,108)	-	(713,813)
Improvements to buildings	(537,193)	(47,853)	-	(585,046)
Sidewalks	(134,132)	(15,825)	-	(149,957)
Bridges	(251,210)	(14,239)	-	(265,449)
Dams	(156,212)	(12,497)	-	(168,709)
Total accumulated depreciation	<u>(10,282,608)</u>	<u>(740,293)</u>	<u>66,228</u>	<u>(10,956,673)</u>
Net capital assets being depreciated	<u>18,305,910</u>	<u>334,182</u>	<u>-</u>	<u>18,640,092</u>
Total governmental activities capital assets, net as reported in the statement of net position	<u>\$ 19,773,073</u>	<u>\$ 370,748</u>	<u>\$ -</u>	<u>\$ 20,143,821</u>

Depreciation expense was charged to functions as follows:

Governmental Activities

General government	\$ 52,425
Public safety	161,150
Public works	375,900
Culture, recreation and education	150,818
Total governmental activities depreciation expense	<u>\$ 740,293</u>

Business-Type Activities

	Beginning Balance	Additions	Deletions	Ending Balance
Water				
Capital assets not being depreciated:				
Land and land rights	\$ 15,418	\$ -	\$ -	\$ 15,418
Construction in progress	-	582,819	579,530	3,289
Total capital assets not being depreciated	<u>15,418</u>	<u>582,819</u>	<u>579,530</u>	<u>18,707</u>
Capital assets being depreciated:				
Source of supply	122,133	-	-	122,133
Pumping	298,318	9,920	1,000	307,238
Water treatment	1,644,435	124,186	38,791	1,729,830
Transmission and distribution	13,229,949	338,271	27,864	13,540,356
General	1,319,794	118,868	11,711	1,426,951
Total capital assets being depreciated	<u>16,614,629</u>	<u>591,245</u>	<u>79,366</u>	<u>17,126,508</u>
Total capital assets	<u>16,630,047</u>	<u>1,174,064</u>	<u>658,896</u>	<u>17,145,215</u>
Less accumulated depreciation for:				
Source of supply	(117,690)	(3,706)	-	(121,396)
Pumping	(291,438)	(7,916)	1,737	(297,617)
Water treatment	(1,280,768)	(55,015)	38,791	(1,296,992)
Transmission and distribution	(2,867,187)	(250,979)	32,704	(3,085,462)
General	(949,718)	(88,922)	11,711	(1,026,929)
Total accumulated depreciation	<u>(5,506,801)</u>	<u>(406,538)</u>	<u>84,943</u>	<u>(5,828,396)</u>
Net capital assets being depreciated	<u>11,107,828</u>	<u>184,707</u>	<u>(5,577)</u>	<u>11,298,112</u>
Net water and light capital assets	<u>\$ 11,123,246</u>	<u>\$ 767,526</u>	<u>\$ 573,953</u>	<u>\$ 11,316,819</u>

City of Columbus

Notes to Financial Statements
December 31, 2024

	Beginning Balance	Additions	Deletions	Ending Balance
Electric				
Capital assets not being depreciated:				
Land and land rights	\$ 192,938	\$ -	\$ -	\$ 192,938
Construction in progress	<u>277,731</u>	<u>694,094</u>	<u>520,554</u>	<u>451,271</u>
Total capital assets not being depreciated	<u>470,669</u>	<u>694,094</u>	<u>520,554</u>	<u>644,209</u>
Capital assets being depreciated:				
Distribution	13,662,670	336,984	55,217	13,944,437
General	<u>2,529,971</u>	<u>179,649</u>	<u>12,051</u>	<u>2,697,569</u>
Total capital assets being depreciated	<u>16,192,641</u>	<u>516,633</u>	<u>67,268</u>	<u>16,642,006</u>
Total capital assets	<u>16,663,310</u>	<u>1,210,727</u>	<u>587,822</u>	<u>17,286,215</u>
Less accumulated depreciation for:				
Distribution	(7,746,622)	(458,737)	55,217	(8,150,142)
General	<u>(1,512,745)</u>	<u>(174,702)</u>	<u>12,051</u>	<u>(1,675,396)</u>
Total accumulated depreciation	<u>(9,259,367)</u>	<u>(633,439)</u>	<u>67,268</u>	<u>(9,825,538)</u>
Net capital assets being depreciated	<u>6,933,274</u>	<u>(116,806)</u>	<u>-</u>	<u>6,816,468</u>
Net electric capital assets	<u>\$ 7,403,943</u>	<u>\$ 577,288</u>	<u>\$ 520,554</u>	<u>\$ 7,460,677</u>
	Beginning Balance	Additions	Deletions	Ending Balance
Sewer				
Capital assets not being depreciated:				
Land and land rights	\$ 2,500	\$ -	\$ -	\$ 2,500
Construction in progress	<u>-</u>	<u>1,763,958</u>	<u>1,654,831</u>	<u>109,127</u>
Total capital assets not being depreciated	<u>2,500</u>	<u>1,763,958</u>	<u>1,654,831</u>	<u>111,627</u>
Capital assets being depreciated:				
Collecting system	12,199,405	184,056	90,080	12,293,381
Collecting system pumping	1,405,733	1,286,015	31,778	2,659,970
Treatment and disposal	13,231,278	268,096	3,202	13,496,172
General	<u>409,659</u>	<u>230,142</u>	<u>200,000</u>	<u>439,801</u>
Total capital assets being depreciated	<u>27,246,075</u>	<u>1,968,309</u>	<u>325,060</u>	<u>28,889,324</u>
Total capital assets	<u>27,248,575</u>	<u>3,732,267</u>	<u>1,979,891</u>	<u>29,000,951</u>
Less accumulated depreciation for:				
Collecting system	(2,246,497)	(119,455)	90,080	(2,275,872)
Collecting system pumping	(982,899)	(100,178)	31,778	(1,051,299)
Treatment and disposal	(10,656,151)	(231,389)	3,202	(10,884,338)
General	<u>(414,959)</u>	<u>(146,955)</u>	<u>200,000</u>	<u>(361,914)</u>
Total accumulated depreciation	<u>(14,300,506)</u>	<u>(597,977)</u>	<u>325,060</u>	<u>(14,573,423)</u>
Net capital assets being depreciated	<u>12,945,569</u>	<u>1,370,332</u>	<u>-</u>	<u>14,315,901</u>
Net sewer capital assets	<u>\$ 12,948,069</u>	<u>\$ 3,134,290</u>	<u>\$ 1,654,831</u>	<u>\$ 14,427,528</u>

City of Columbus

Notes to Financial Statements
December 31, 2024

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Deletions</u>	<u>Ending Balance</u>
Stormwater				
Capital assets being depreciated:				
Equipment	\$ -	\$ 110,910	\$ -	\$ 110,910
Infrastructure	-	154,607	-	154,607
Total capital assets being depreciated	-	265,517	-	265,517
Less accumulated depreciation for:				
Stormwater plant	-	(8,123)	-	(8,123)
Total accumulated depreciation	-	(8,123)	-	(8,123)
Net capital assets being depreciated	-	257,394	-	257,394
Net stormwater capital assets	<u>\$ -</u>	<u>\$ 257,394</u>	<u>\$ -</u>	<u>\$ 257,394</u>
Business-type activities capital assets, net as reported in the statement of net position	<u>\$ 31,475,258</u>	<u>\$ 4,736,498</u>	<u>\$ 2,749,338</u>	<u>\$ 33,462,418</u>

Depreciation expense was charged to functions as follows:

Business-Type Activities

Water	\$ 378,205
Electric	578,356
Sewer	484,477
Stormwater	<u>8,123</u>

Total business-type activities, net as reported in the
statement of net position expense

\$ 1,449,161

Depreciation expense is different from accumulated depreciation additions because of joint metering, salvage cost of removal, internal allocations and cost associated with the disposal of assets.

Interfund Receivables/Payables, Advances and Transfers

Interfund Receivables/Payables

The following is a schedule of interfund receivables and payables including any overdrafts on pooled cash and investment accounts:

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
General Fund	Nonmajor Funds	\$ 73,262
General Fund	Water and Light Utility	481,962
Sewer Utility	General Fund	9,017
Water and Light Utility	General Fund	22,497
Water and Light Utility	Sewer Utility	<u>55,767</u>
Total, fund financial statements		642,505
Less fund eliminations		(129,029)
Less government-wide eliminations		(63,028)
Add interfund advances		<u>49,833</u>
Total internal balances, government-wide statement of net position		<u>\$ 500,281</u>

City of Columbus

Notes to Financial Statements
December 31, 2024

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
Governmental activities	Business-type activities	\$ 531,795
Business-type activities	Governmental activities	<u>(31,514)</u>
Total government-wide financial statements		<u>\$ 500,281</u>

All amounts are due within one year.

The principal purpose of these interfunds is for the payment in lieu of tax and cash overdrafts. All remaining balances resulted from the time lag between the dates that: (1) interfund goods and services are provided or reimbursable expenditures occur; (2) transactions are recorded in the accounting system; and (3) payments between funds are made.

Advances

The general fund is advancing funds to various funds with deficit cash. The amount advanced is determined by the deficiency of revenues over expenditures and other financing sources. No repayment schedules have been established. These advances have been eliminated in the government-wide financial statements.

The following is a schedule of interfund advances:

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>	<u>Amount Not Due Within One Year</u>
General Fund	Stormwater Utility	\$ 49,833	\$ 49,833
General Fund	Pool Fund	255,263	255,263
General Fund	TIF No. 5	57,472	57,472
General Fund	TIF No. 6	<u>77,777</u>	<u>77,777</u>
Total, fund financial statements		440,345	
Less fund eliminations		<u>(390,512)</u>	
Total, interfund advances		<u>\$ 49,833</u>	

City of Columbus

Notes to Financial Statements
December 31, 2024

Transfers

The following is a schedule of interfund transfers:

<u>Fund Transferred To</u>	<u>Fund Transferred From</u>	<u>Amount</u>	<u>Principal Purpose</u>
General Fund	Water and Light Utility	\$ 431,289	Tax equivalent payment
General Fund	Cable TV Fund	31,182	Media coordinator
General Fund	Tourism Fund	13,567	Economic development
General Debt Service	TIF No. 4	97,023	TIF debt
Joint EMS Fund	General Fund	97,910	EMS funding
			Funding capital
Capital Projects	General Fund	206,000	improvements
Ward Beautification	General Fund	1,500	Debt service
Historical Landmarks and Preservation	General Fund	7,230	Debt service
General Debt Service	Capital Projects	<u>10,526</u>	Debt payment
Total, fund financial statements		896,227	
Less fund eliminations		<u>(464,938)</u>	
Total transfers, government-wide statement of activities		<u>\$ 431,289</u>	

Generally, transfers are used to (1) move revenues from the fund that collects them to the fund that the budget requires to expend them, (2) move receipts restricted to debt service from the funds collecting the receipts to the debt service fund and (3) use unrestricted revenues collected in the general fund to finance various programs accounted for in other funds in accordance with budgetary authorizations.

Long-Term Obligations

Long-term obligations activity for the year ended December 31, 2024, was as follows:

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>	<u>Amounts Due Within One Year</u>
Governmental Activities					
Bonds and notes payable:					
General obligation debt	\$ 7,321,375	\$ 3,220,000	\$ 750,432	\$ 9,790,943	\$ 976,588
General obligation notes from direct borrowings and direct placements	604,759	-	37,488	567,271	38,855
(Discounts)/Premiums	<u>99,648</u>	<u>180,262</u>	<u>21,983</u>	<u>257,927</u>	<u>-</u>
Total bonds and notes payable	<u>8,025,782</u>	<u>3,400,262</u>	<u>809,903</u>	<u>10,616,141</u>	<u>1,015,443</u>
Other liabilities:					
Compensated absences*	<u>183,890</u>	<u>-</u>	<u>96,675</u>	<u>87,215</u>	<u>17,149</u>
Total other liabilities	<u>183,890</u>	<u>-</u>	<u>96,675</u>	<u>87,215</u>	<u>17,149</u>
Total governmental activities long- term liabilities	<u>\$ 8,209,672</u>	<u>\$ 3,400,262</u>	<u>\$ 906,578</u>	<u>\$ 10,703,356</u>	<u>\$ 1,032,592</u>

City of Columbus

Notes to Financial Statements
December 31, 2024

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>	<u>Amounts Due Within One Year</u>
Business-Type Activities					
Bonds and notes payable:					
General obligation debt	\$ 215,000	\$ 1,670,000	\$ 70,000	\$ 1,815,000	\$ 310,000
General obligation notes from direct borrowings and direct placements	145,481	-	35,047	110,434	35,915
Revenue bonds from direct borrowings and direct placements	1,003,405	-	165,679	837,726	169,728
Revenue bonds	7,695,000	-	450,000	7,245,000	455,000
Note payable	58,191	-	27,657	30,534	26,172
Customer advances for construction (Discounts)/Premiums:	11,874	348	-	12,222	-
Bond premium	67,365	68,912	10,221	126,056	-
Total bonds and notes payable	<u>9,196,316</u>	<u>1,739,260</u>	<u>758,604</u>	<u>10,176,972</u>	<u>996,815</u>
Other liabilities:					
Compensated absences*	76,853	-	4,824	72,029	72,029
Total other liabilities	<u>76,853</u>	<u>-</u>	<u>4,824</u>	<u>72,029</u>	<u>72,029</u>
Total business-type activities long-term liabilities	<u>\$ 9,273,169</u>	<u>\$ 1,739,260</u>	<u>\$ 763,428</u>	<u>\$ 10,249,001</u>	<u>\$ 1,068,844</u>

* The change in the compensated absences liability is presented as a net change.

In accordance with Wisconsin Statutes, total general obligation indebtedness of the City may not exceed 5% of the equalized value of taxable property within the City's jurisdiction. The debt limit as of December 31, 2024, was \$32,326,315. Total general obligation debt outstanding at year end was \$12,283,648.

City of Columbus

Notes to Financial Statements
December 31, 2024

General Obligation Debt

All general obligation debt payable is backed by the full faith and credit of the City. Debt in the governmental funds will be retired by future property tax levies or tax increments accumulated by the debt service fund. Business-type activities debt is payable by revenues from user fees of those funds or, if the revenues are not sufficient, by future tax levies.

<u>Governmental Activities</u>					Balance
<u>General Obligation Debt</u>	<u>Date of Issue</u>	<u>Final Maturity</u>	<u>Interest Rates</u>	<u>Original Indebtedness</u>	<u>December 31, 2024</u>
2007 GO Promissory Notes	11/14/07	05/01/27	2.475%	\$ 550,000	\$ 100,582
2013 GO Industrial Development Bonds	02/07/13	10/01/32	2.0-2.8	1,885,000	905,000
2015 GO Promissory Notes	03/25/15	03/01/25	1.80	3,645,000	285,000
2017 A GO Bonds	04/04/17	04/01/36	2.35-3.4	1,535,000	1,055,000
2017 B GO Bonds	04/04/17	04/01/25	2.00-2.65	470,000	105,000
2017 State Trust Fund Loan, direct	01/10/17	03/15/36	3.50	800,000	567,271
2018 GO Corporate Purpose Bonds	08/02/18	04/01/36	3.0-4.0	1,640,000	1,500,000
2020 GO Promissory Notes	08/06/20	04/01/30	0.5-1.15	1,150,000	1,060,000
2021 GO Community Development Bonds	12/17/21	03/15/41	4.0	225,000	210,361
2022 GO Bonds	09/22/22	04/01/42	4.0	1,350,000	1,350,000
2024A Promissory Note	12/01/24	04/01/44	4.0-5.0	3,220,000	<u>3,220,000</u>
Total governmental activities, general obligation debt					<u>\$ 10,358,214</u>

<u>Business-Type Activities</u>					Balance
<u>General Obligation Debt</u>	<u>Date of Issue</u>	<u>Final Maturity</u>	<u>Interest Rates</u>	<u>Original Indebtedness</u>	<u>December 31, 2024</u>
2007 GO Promissory Notes, direct	11/14/07	05/01/27	2.475%	\$ 601,559	\$ 110,434
2017 Refunding Bonds	04/04/17	04/01/26	2.00-2.65	620,000	145,000
2024A GO Promissory Note, Sewer	12/16/24	04/01/34	4.00	955,000	955,000
2024A GO Promissory Note, Utilities	12/16/24	04/01/27	5.00	430,000	430,000
2024A GO Promissory, Stormwater	12/16/24	04/01/44	5.00	285,000	<u>285,000</u>
Total business-type activities, general obligation debt					<u>\$ 1,925,434</u>

City of Columbus

Notes to Financial Statements
December 31, 2024

Debt service requirements to maturity are as follows:

<u>Years</u>	Governmental Activities General Obligation Debt		Business-Type Activities General Obligation Debt	
	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>
2025	\$ 976,588	\$ 290,743	\$ 310,000	\$ 59,295
2026	1,057,753	289,888	310,000	62,819
2027	793,950	260,409	250,000	49,700
2028	769,969	240,106	105,000	40,825
2029	775,387	217,380	105,000	35,575
2030-2034	3,008,495	745,186	630,000	92,475
2035-2039	1,506,175	302,716	50,000	16,000
2040-2044	902,626	79,373	55,000	5,900
Total	<u>\$ 9,790,943</u>	<u>\$ 2,425,801</u>	<u>\$ 1,815,000</u>	<u>\$ 362,589</u>

<u>Years</u>	Governmental Activities Notes From Direct Borrowings and Direct Placements		Business-Type Activities Notes From Direct Borrowings and Direct Placements	
	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>
2025	\$ 38,855	\$ 19,855	\$ 35,915	\$ 2,289
2026	40,215	18,495	36,803	1,389
2027	41,623	17,087	37,716	467
2028	43,037	15,673	-	-
2029	44,586	14,124	-	-
2030-2034	247,430	46,117	-	-
2035-2036	111,525	5,894	-	-
Total	<u>\$ 567,271</u>	<u>\$ 137,245</u>	<u>\$ 110,434</u>	<u>\$ 4,145</u>

The specified terms in the debt agreement for the sewer utility revenue bond regarding the events of default are as follows: If the Municipality defaults on payment, the State of Wisconsin shall recover payments by deducting amounts from any state payments such as transportation aids and state shared revenues. Also, if the Municipality fails to pay loan when due, the State of Wisconsin shall recover amounts due by adding a special charge to the amount of taxes apportioned and levied upon the county in which the Municipality is located.

The City's State Trust Fund Loan from direct borrowing related to governmental activities of \$567,271 contains a clause that any delinquent payments are subject to a penalty of one percent per month and shall be deducted from any state payments that are due to the City.

Revenue Debt

Business-type activities revenue bonds are payable only from revenues derived from the operation of the water and light and sewer utilities.

The water and light utility has pledged future customer revenues, net of specified operating expenses, to repay revenue bonds issued in 2016. Proceeds from the bonds provided financing for the improvements to the utility systems. The bonds are payable solely from customer revenues and are payable through 2036. Annual principal and interest payments on the bonds are expected to require 12% of net revenues. The total principal and interest remaining to be paid on the bonds is \$2,769,775. Principal and interest paid for the current year and total customer net revenues were \$358,173 and \$1,866,403, respectively.

City of Columbus

Notes to Financial Statements
December 31, 2024

The sewer utility has pledged future customer revenues, net of specified operating expenses, to repay revenue bonds issued in various years. Proceeds from the bonds provided financing for the improvements to the utility system. The bonds are payable solely from customer revenues and are payable through 2042. Annual principal and interest payments on the bonds are expected to require 84% of net revenues. The total principal and interest remaining to be paid on the bonds is \$7,462,295. Principal and interest paid for the current year and total customer net revenues were \$518,302 and \$491,868, respectively.

Revenue debt payable at December 31, 2024, consists of the following:

Business-Type Activities Revenue Debt

	<u>Date of Issue</u>	<u>Final Maturity</u>	<u>Interest Rates</u>	<u>Original Indebtedness</u>	<u>Balance December 31, 2024</u>
Water and Light Utility					
Revenue bonds	06/08/16	05/01/36	2.00-3.00%	\$ 3,915,000	\$ 2,370,000
Total water and light utility					<u>2,370,000</u>
Sewer Utility					
Clean water fund loan, direct	11/14/07	05/01/27	2.475	1,652,000	303,641
Clean water fund loan, direct	06/08/11	05/01/31	2.4	1,313,944	534,085
Revenue bonds	04/04/17	05/01/37	1.4-4	1,935,000	1,375,000
Revenue bonds	06/11/20	05/01/40	1.2-2.7	1,125,000	940,000
Revenue bonds	09/22/22	05/01/42	3.3-4.3	2,585,000	<u>2,560,000</u>
Total sewer utility					<u>5,712,726</u>
Total business-type activities, revenue debt					<u>\$ 8,082,726</u>

Debt service requirements to maturity are as follows:

<u>Years</u>	<u>Business-Type Activities Revenue Debt</u>	
	<u>Principal</u>	<u>Interest</u>
2025	\$ 455,000	\$ 226,303
2026	455,000	216,518
2027	320,000	207,098
2028	430,000	198,013
2029	450,000	185,050
2030-2034	2,480,000	706,644
2035-2039	2,005,000	301,590
2040-2042	<u>650,000</u>	<u>50,655</u>
Total	<u>\$ 7,245,000</u>	<u>\$ 2,091,871</u>

City of Columbus

Notes to Financial Statements
December 31, 2024

<u>Years</u>	Business-Type Activities Revenue Debt from Direct Borrowings and Direct Placements	
	<u>Principal</u>	<u>Interest</u>
2025	\$ 169,728	\$ 18,260
2026	173,876	14,061
2027	178,125	9,760
2028	76,212	6,669
2029	78,041	4,818
2030-2031	161,744	3,905
Total	<u>\$ 837,726</u>	<u>\$ 57,473</u>

Notes Payable

The water and light utility issued notes to finance improvements to its meter program. Both notes are direct borrowings.

<u>Business-Type Activities</u>	<u>Date of Issue</u>	<u>Final Maturity</u>	<u>Interest Rates</u>	<u>Original Indebtedness</u>	<u>Balance December 31, 2024</u>
Notes Payable					
Note payable, AMI metering	1/28/16	1/28/26	-%	\$ 261,721	\$ 30,534
Total business-type activities notes payable					<u>\$ 30,534</u>

Debt service requirements to maturity are as follows:

<u>Years</u>	Business-Type Activities Notes Payable	
	<u>Principal</u>	<u>Interest</u>
2025	\$ 26,172	\$ -
2026	4,362	-
Total	<u>\$ 30,534</u>	<u>\$ -</u>

Other Debt Information

Estimated payments of compensated absences are not included in the debt service requirement schedules. The compensated absences attributable to governmental activities will be liquidated primarily by the general fund.

Information on the net pension liability (asset) and information on the total OPEB liability is provided in Note 4.

A statutory mortgage lien upon the sewer utility's system and any additions, improvements and extensions thereto is created by Section 66.0621 of the Wisconsin Statutes as provided for in the ordinances creating the revenue bond issue. The sewer utility's system and the earnings of the system remain subject to the lien until payment in full of the principal and interest on the bonds.

There are a number of limitations and restrictions contained in the various bond indentures and loan agreements. The City believes it is in compliance with all significant limitations and restrictions, including federal arbitrage regulations.

City of Columbus

Notes to Financial Statements
December 31, 2024

Net Position/Fund Balances

Net position reported on the government-wide statement of net position at December 31, 2024, includes the following:

Governmental Activities

Net investment in capital assets:

Land	\$ 1,409,788
Construction in progress	93,941
Depreciable assets, net of depreciation	18,640,092
Less long-term debt outstanding	(10,358,214)
Plus unspent capital related debt proceeds	2,150,173
Plus noncapital debt outstanding	1,159,072
Less unamortized debt premium	<u>(257,927)</u>
Total net investment in capital assets	<u>\$ 12,836,925</u>

City of Columbus

Notes to Financial Statements
December 31, 2024

Governmental Funds

Governmental fund balances reported on the fund financial statements at December 31, 2024, include the following:

	<u>General Fund</u>	<u>General Debt Service</u>	<u>Capital Projects</u>	<u>Nonmajor Funds</u>	<u>Total</u>
Fund Balances					
Nonspendable:					
Prepaid items	\$ 111,510	\$ -	\$ -	\$ -	\$ 111,510
Inventory	2,117	-	-	-	2,117
Advances	440,345	-	-	-	440,345
Noncurrent receivables	94,305	-	-	-	94,305
Subtotal	<u>648,277</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>648,277</u>
Restricted for:					
TIF districts	-	-	-	1,130,364	1,130,364
Debt service	-	170,772	-	-	170,772
Capital projects	-	-	1,414,426	-	1,414,426
Grants	-	-	-	41,194	41,194
Library	-	-	-	574,728	574,728
Cemetery	-	-	-	215,962	215,962
Preservation	-	-	-	213,995	213,995
Subtotal	<u>-</u>	<u>170,772</u>	<u>1,414,426</u>	<u>2,176,243</u>	<u>3,761,441</u>
Committed to:					
Tourism	-	-	-	91,196	91,196
Cable TV	-	-	-	270,494	270,494
Public safety	-	-	-	12,989	12,989
Parks	-	-	-	121,012	121,012
Subtotal	<u>-</u>	<u>-</u>	<u>-</u>	<u>495,691</u>	<u>495,691</u>
Assigned to:					
Subsequent year budget	552,500	-	-	-	552,500
Continuing appropriations (PS equipment)	43,693	-	-	-	43,693
Designated for sick/vacation payouts	35,150	-	-	-	35,150
PILLOT	431,288	-	-	-	431,288
HLPC projects	1,500	-	-	-	1,500
Capital projects	-	-	755,927	-	755,927
Subtotal	<u>1,064,131</u>	<u>-</u>	<u>755,927</u>	<u>-</u>	<u>1,820,058</u>
Unassigned (Deficit)	<u>1,203,509</u>	<u>-</u>	<u>-</u>	<u>(437,666)</u>	<u>765,843</u>
Total fund balances	<u>\$ 2,915,917</u>	<u>\$ 170,772</u>	<u>\$ 2,170,353</u>	<u>\$ 2,234,268</u>	<u>\$ 7,491,310</u>

Business-Type Activities

Net investment in capital assets:

Land	\$ 210,856
Construction in progress	563,687
Plant in service, net of accumulated depreciation	32,687,875
Less long-term debt outstanding	(10,038,694)
Plus unspent capital related debt proceeds	546,600
Less unamortized debt premium	<u>(126,056)</u>

Total net investment in capital assets \$ 23,844,268

Component Unit

Community Development Authority

This report contains the Community Development Authority (CDA), which is included as a component unit.

In addition to the basic financial statements and the preceding notes to financial statements which apply, the following additional disclosures are considered necessary for a fair presentation.

a. Basis of Accounting/Measurement Focus

The CDA follows the full accrual basis of accounting and the flow of economic resources measurement focus.

b. Deposits and Investments

At year end, the carrying amount of the CDA's deposits was \$95,302 and is part of the City's commingled cash. See Note 3.

c. Cash and Cash Equivalents

For purposes of the statement of cash flows, the CDA considers all highly liquid investments with an initial maturity of three months or less when acquired to be cash equivalents.

4. Other Information

Employees' Retirement System

Plan Description

The WRS is a cost-sharing multiple-employer defined benefit pension plan. WRS benefits and other plan provisions are established by Chapter 40 of the Wisconsin Statutes. Benefit terms may only be modified by the legislature. The retirement system is administered by the Wisconsin Department of Employee Trust Funds (ETF). The system provides coverage to all eligible State of Wisconsin, local government and other public employees. All employees, initially employed by a participating WRS employer on or after July 1, 2011, expected to work at least 1,200 hours a year (880 hours for teachers and school district educational support employees) and expected to be employed for at least one year from employee's date of hire are eligible to participate in the WRS.

ETF issues a standalone Annual Comprehensive Financial Report (ACFR), which can be found at <https://etf.wi.gov/about-etf/reports-and-studies/financial-reports-and-statements>.

Additionally, ETF issued a standalone Wisconsin Retirement System Financial Report, which can also be found using the link above.

Vesting

For employees beginning participation on or after January 1, 1990, and no longer actively employed on or after April 24, 1998, creditable service in each of five years is required for eligibility for a retirement annuity. Participants employed prior to 1990 and on or after April 24, 1998, and prior to July 1, 2011, are immediately vested. Participants who initially became WRS eligible on or after July 1, 2011, must have five years of creditable service to be vested.

Benefits Provided

Employees who retire at or after age 65 (54 for protective occupation employees, 62 for elected officials and executive service retirement participants, if hired on or before December 31, 2016) are entitled to a retirement benefit based on a formula factor, their final average earnings and creditable service.

Final average earnings is the average of the participant's three highest annual earnings period. Creditable service includes current service and prior service for which a participant received earnings and made contributions as required. Creditable service also includes creditable military service. The retirement benefit will be calculated as a money purchase benefit based on the employee's contributions plus matching employer's contributions, with interest, if that benefit is higher than the formula benefit.

Vested participants may retire at age 55 (50 for protective occupations) and receive an actuarially-reduced benefit. Participants terminating covered employment prior to eligibility for an annuity may either receive employee-required contributions plus interest as a separation benefit or leave contributions on deposit and defer application until eligible to receive a retirement benefit.

The WRS also provides death and disability benefits for employees.

Postretirement Adjustments

The Employee Trust Funds Board may periodically adjust annuity payments from the retirement system based on annual investment performance in accordance with s. 40.27, Wis. Stat. An increase (or decrease) in annuity payments may result when investment gains (losses), together with other actuarial experience factors, create a surplus (shortfall) in the reserves, as determined by the system's consulting actuary. Annuity increases are not based on cost of living or other similar factors. For Core annuities, decreases may be applied only to previously granted increases. By law, Core annuities cannot be reduced to an amount below the original, guaranteed amount (the floor) set at retirement. The Core and Variable annuity adjustments granted during recent years are as follows:

<u>Year</u>	<u>Core Fund Adjustment %</u>	<u>Variable Fund Adjustment %</u>
2014	4.7	25.0
2015	2.9	2.0
2016	0.5	(5.0)
2017	2.0	4.0
2018	2.4	17.0
2019	0.0	(10.0)
2020	1.7	21.0
2021	5.1	13.0
2022	7.4	15.0
2023	1.6	(21.0)

Contributions

Required contributions are determined by an annual actuarial valuation in accordance with Chapter 40 of the Wisconsin Statutes. The employee required contribution is one-half of the actuarially determined contribution rate for General category employees, including Teachers, Executives and Elected Officials. Starting on January 1, 2016, the Executives and Elected Officials category was merged into the General Employee category. Required contributions for protective employees are the same rate as general employees. Employers are required to contribute the remainder of the actuarially determined contribution rate. The employer may not pay the employee required contribution unless provided for by an existing collective bargaining agreement.

During the reporting period, the WRS recognized \$221,519 in contributions from the City.

Contribution rates for the plan year reported as of December 31, 2024 are:

<u>Employee Category</u>	<u>Employee</u>	<u>Employer</u>
General (Executives & Elected Officials)	6.80 %	6.80 %
Protective with Social Security	6.80	13.20
Protective without Social Security	6.80	18.10

Pension Liability, Pension Expense (Revenue), Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

At December 31, 2024, the City reported a liability of \$251,208 for its proportionate share of the net pension liability. The net pension liability was measured as of December 31, 2023, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2022 rolled forward to December 31, 2023. No material changes in assumptions or benefit terms occurred between the actuarial valuation date and the measurement date. The City's proportion of the net pension liability was based on the City's share of contributions to the pension plan relative to the contributions of all participating employers. At December 31, 2023, the City's proportion was 0.01689588%, which was a decrease of 0.00077177% from its proportion measured as of December 31, 2022.

For the year ended December 31, 2024, the City recognized pension expense (revenue) of \$155,630.

City of Columbus

Notes to Financial Statements
December 31, 2024

At December 31, 2024, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between projected and actual experience	\$ 1,071,275	\$ 1,399,958
Changes in assumptions	109,494	-
Net differences between projected and actual earnings on pension plan investments	875,422	-
Changes in proportion and differences between employer contributions and proportionate share of contributions	12,453	251
Employer contributions subsequent to the measurement date	<u>212,127</u>	<u>-</u>
Total	<u>\$ 2,280,771</u>	<u>\$ 1,400,209</u>

City of Columbus

Notes to Financial Statements
December 31, 2024

\$212,127 reported as deferred outflows of resources related to pension resulting from the WRS Employer's contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability (asset) in the year ending December 31, 2025. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pension will be recognized in pension expense as follows:

<u>Years Ending December 31:</u>	<u>Deferred Outflows of Resources and Deferred Inflows of Resources (Net)</u>
2025	\$ 138,541
2026	144,387
2027	552,655
2028	(167,148)

Actuarial Assumptions

The total pension liability in the December 31, 2023 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Actuarial Valuation Date:	December 31, 2022
Measurement Date of Net Pension Liability (Asset):	December 31, 2023
Experience Study:	January 1, 2018 - December 31, 2020 Published November 19, 2021
Actuarial Cost Method:	Entry Age Normal
Asset Valuation Method:	Fair Value
Long-Term Expected Rate of Return:	6.8%
Discount Rate:	6.8%
Salary Increases:	
Wage Inflation	3.0%
Seniority/Merit	0.1% - 5.6%
Mortality:	2020 WRS Experience Mortality Table
Postretirement Adjustments*:	1.7%

* *No postretirement adjustment is guaranteed. Actual adjustments are based on recognized investment return, actuarial experience and other factors. 1.7% is the assumed annual adjustment based on the investment return assumption and the postretirement discount rate.*

Actuarial assumptions are based upon an experience study conducted in 2021 that covered a three-year period from January 1, 2018 to December 31, 2020. The Total Pension Liability for December 31, 2023 is based upon a roll-forward of the liability calculated from the December 31, 2022 actuarial valuation.

City of Columbus

Notes to Financial Statements
December 31, 2024

Long-Term Expected Return on Plan Assets

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The target allocation and best estimates of geometric real rates of return for each major asset class are summarized in the following table:

Asset Allocation Targets and Expected Returns* as of December 31, 2023			
Core Fund Asset Class	Asset Allocation %	Long-Term Expected Nominal Rate of Return %	Long-Term Expected Real Rate of Return %**
Public Equity	40	7.3	4.5
Public Fixed Income	27	5.8	3.0
Inflation Sensitive	19	4.4	1.7
Real Estate	8	5.8	3.0
Private Equity/Debt	18	9.6	6.7
Leverage***	(12)	3.7	1.0
Total Core Fund	100	7.4	4.6
Variable Fund Asset			
U.S. Equities	70	6.8	4.0
International Equities	30	7.6	4.8
Total Variable Fund	100	7.3	4.5

* *Asset Allocations are managed within established ranges; target percentages may differ from actual monthly allocations*

** *New England Pension Consultants' Long-Term U.S. CPI (Inflation) Forecast: 2.7%*

*** *The investment policy used for the Core Fund involves reducing equity exposure by leveraging lower-volatility assets, such as fixed income securities. Currently, an asset allocation target of 12% policy leverage is used subject to an allowable range of up to 20%.*

Single Discount Rate

A single discount rate of 6.8% was used to measure the total pension liability for the current and prior year. This discount rate is based on the expected rate of return on pension plan investments of 6.8% and a municipal bond rate of 3.77% (Source: Fixed-income municipal bonds with 20 years to maturity that include only federally tax-exempt municipal bonds as reported in Fidelity Index's "20-year Municipal GO AA Index" as of December 31, 2023. In describing this index, Fidelity notes that the Municipal Curves are constructed using option-adjusted analytics of a diverse population of over 10,000 tax-exempt securities.) Because of the unique structure of WRS, the 6.8% expected rate of return implies that a dividend of approximately 1.7% will always be paid. For purposes of the single discount rate, it was assumed that the dividend would always be paid. The projection of cash flows used to determine this single discount rate assumed that plan member contributions will be made at the current contribution rate and that employer contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on these assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments (including expected dividends) of current plan members. Therefore, the investment rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity of the City's Proportionate Share of the Net Pension Liability (Asset) to Changes in the Discount Rate

The following presents the City's proportionate share of the net pension liability (asset) calculated using the discount rate of 6.80%, as well as what the City's proportionate share of the net pension liability (asset) would be if it were calculated using a discount rate that is 1-percentage-point lower (5.80%) or 1-percentage-point higher (7.80%) than the current rate:

	<u>1% Decrease to Discount Rate (5.8%)</u>	<u>Current Discount Rate (6.8%)</u>	<u>1% Increase to Discount Rate (7.8%)</u>
City's proportionate share of the net pension liability (asset)	\$ 2,428,055	\$ 251,208	\$ (1,272,022)

Pension Plan Fiduciary Net Position

Detailed information about the pension plan's fiduciary net position is available in separately issued financial statements available at <https://etf.wi.gov/about-etf/reports-and-studies/financial-reports-and-statements>.

At December 31, 2024, the City reported a payable to the pension plan which represents contractually required contributions outstanding as of the end of the year.

Risk Management

The City is exposed to various risks of loss related to torts; theft of, damage to or destruction of assets; errors and omissions; workers compensation; and health care of its employees. All of these risks are covered through the purchase of commercial insurance, with minimal deductibles. Settled claims have not exceeded the commercial coverage in any of the past three years. There were no significant reductions in coverage compared to the prior year.

Commitments and Contingencies

Claims and judgments are recorded as liabilities if all the conditions of Governmental Accounting Standards Board pronouncements are met. The liability and expenditure for claims and judgments are only reported in governmental funds if it has matured. Claims and judgments are recorded in the government-wide statements and proprietary funds as expenses when the related liabilities are incurred.

From time to time, the City is party to various pending claims and legal proceedings. Although the outcome of such matters cannot be forecasted with certainty, it is the opinion of management and the City attorney that the likelihood is remote that any such claims or proceedings will have a material adverse effect on the City's financial position or results of operations.

The City has received federal and state grants for specific purposes that are subject to review and audit by the grantor agencies. Such audits could lead to requests for reimbursements to the grantor agency for expenditures disallowed under terms of the grants. Management believes such disallowances, if any, would be immaterial.

Long-Term Contracts, WPPI Energy

The electric utility is one of 51 WPPI Energy member municipalities located throughout the States of Wisconsin, Michigan and Iowa. On December 1, 1989, each initial WPPI Energy member commenced purchasing electric service from WPPI Energy under a long-term Power Supply Contract for Participating Members (long-term contract). Under the long-term contract, WPPI Energy is obligated to provide and sell, and each member is obligated to take and pay for, the electric power and energy required for the operation of each member's electric utility.

The long-term contract requires all WPPI Energy members to pay for power and energy requirements supplied or made available by WPPI Energy at rates sufficient to cover WPPI Energy's revenue requirement including power supply costs, administrative expenses and debt service. WPPI Energy's subsequent year's operating budget and rates are approved annually by its Board of Directors, consisting of representatives from each member. The members have agreed to charge rates to retail customers sufficient to meet their WPPI Energy obligations. The long-term contract provides that all payments to WPPI Energy constitute operating expenses of the utility payable from any operating and maintenance fund established for that system.

Fifty members, representing approximately 99.8% of WPPI Energy's existing load, have long-term contracts through December 31, 2055. The remaining member has a long-term contract through December 31, 2037.

WPPI Energy's outstanding debt service obligation to be paid by its members through their wholesale power charges through the remainder of the long-term contract was \$237 million as of December 31, 2024.

Joint Ventures

Columbus Rural Fire Group

The City of Columbus and Townships of Portland, York, Hampden, Elba, Calamus and Columbus jointly operate the fire department, which is called the Columbus Rural Fire Group (District) and provides fire protection services to the municipalities indicated.

The governing body is made up of citizens from each community. Local representatives are appointed by the mayor. The governing body has authority to adopt its own budget and control the financial affairs of the District. The City is obligated by the joint venture agreement to remit an amount annually to the District. The City made a payment to the District of \$475,697 in 2024.

Financial information of the District as of December 31, 2024 is available directly from the District's office.

The City does not have an equity interest in the District.

Other Postemployment Benefits

Local Retiree Life Insurance Fund (LRLIF)

Plan Description

The LRLIF is a multiple-employer, defined benefit OPEB plan. LRLIF benefits and other plan provisions are established by Chapter 40 of the Wisconsin Statutes. The Wisconsin Department of Employee Trust Funds (ETF) and the Group Insurance Board have statutory authority for program administration and oversight. The plan provides postemployment life insurance benefits for all eligible employees.

ETF issues a standalone Annual Comprehensive Financial Report (ACFR), which can be found at <https://etf.wi.gov/about-etf/reports-and-studies/financial-reports-and-statements>.

Additionally, ETF issued a standalone Retiree Life Insurance Financial Report, which can be found at the link above.

Benefits Provided

The LRLIF plan provides fully paid up life insurance benefits for post-age 64 retired employees and pre-65 retirees who pay for their coverage.

Contributions

The Group Insurance Board approves contribution rates annually, based on recommendations from the insurance carrier. Recommended rates are based on an annual valuation, taking into consideration an estimate of the present value of future benefits and the present value of future contributions. A portion of employer contributions made during a member's working lifetime funds a postretirement benefit.

Employers are required to pay the following contribution based on employee contributions for active members to provide them with Basic Coverage after age 65. There are no employer contributions required for pre-age 65 annuitant coverage. If a member retires prior to age 65, they must continue paying the member premiums until age 65 in order to be eligible for the benefit after age 65.

Contribution rates for the plan year reported as of December 31, 2024 are:

<u>Coverage Type</u>	<u>Employer Contribution</u>
50% Postretirement Coverage	40% of member contribution
25% Postretirement Coverage	20% of member contribution

City of Columbus

Notes to Financial Statements
December 31, 2024

Member contributions are based upon nine age bands through age 69 and an additional eight age bands for those age 70 and over. Participating members must pay monthly contribution rates per \$1,000 of coverage until the age of 65 (age 70 if active). The member contribution rates in effect for the plan year are as listed below:

Life Insurance Member Contribution Rates* for the Plan Year

<u>Attained Age</u>	<u>Basic</u>	<u>Supplemental</u>
Under 30	\$0.05	\$0.05
30-34	0.06	0.06
35-39	0.07	0.07
40-44	0.08	0.08
45-49	0.12	0.12
50-54	0.22	0.22
55-59	0.39	0.39
60-64	0.49	0.49
65-69	0.57	0.57

*Disabled members under age 70 receive a waiver-of-premium benefit

During the reporting period, the LRLIF recognized \$817 in contributions from the employer.

OPEB Liabilities, OPEB Expense (Revenue) and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEBs

At December 31, 2024, the City reported a liability of \$172,783 for its proportionate share of the net OPEB liability. The net OPEB liability was measured as of December 31, 2023, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of January 1, 2023 rolled forward to December 31, 2023. No material changes in assumptions or benefit terms occurred between the actuarial valuation date and the measurement date. The City's proportion of the net OPEB liability was based on the City's share of contributions to the OPEB plan relative to the contributions of all participating employers. At December 31, 2023, the City's proportion was 0.04010100%, which was a decrease of 0.00031100% from its proportion measured as of December 31, 2022.

City of Columbus

Notes to Financial Statements
December 31, 2024

For the year ended December 31, 2024, the City recognized OPEB expense (revenue) of \$10,557.

At December 31, 2024, the City reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	<u>Deferred Outflow of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ -	\$ 16,328
Net differences between projected and actual earnings on plan investments	2,493	-
Changes in actuarial assumptions	58,707	73,409
Changes in proportion and differences between employer contributions and proportionate share of contributions	10,566	15,352
Employer contributions subsequent to the measurement date	<u>4,921</u>	<u>-</u>
Total	<u>\$ 76,687</u>	<u>\$ 105,089</u>

\$4,921 reported as deferred outflows of resources related to OPEB resulting from the LRLIF Employer's contributions subsequent to the measurement date will be recognized as a reduction of the net OPEB liability (asset) in the year ending December 31, 2025. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

<u>Years Ending December 31:</u>	<u>Deferred Outflows of Resources and Deferred Inflows of Resources (Net)</u>
2025	\$ (4,818)
2026	(2,365)
2027	(7,229)
2028	(11,430)
2029	(9,647)
Thereafter	2,166

Actuarial Assumptions

The total OPEB liability in the actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Actuarial Valuation Date:	January 1, 2023
Measurement Date of Net OPEB Liability (Asset)	December 31, 2023
Experience Study:	January 1, 2018-December 31, 2020. Published November 19, 2021
Actuarial Cost Method:	Entry Age Normal
20 Year Tax-Exempt Municipal Bond Yield*	3.26%
Long-Term Expected Rate of Return:	4.25%
Discount Rate:	3.32%
Salary Increases:	
Wage Inflation	3.00%
Seniority/Merit	0.10%-5.6%
Mortality:	2020 WRS Experience Mortality Table

*Based on the Bond Buyers GO 20-Bond Municipal index

Actuarial assumptions are based upon an experience study conducted in 2021 that covered a three-year period from January 1, 2018 to December 31, 2020. The Total OPEB Liability for December 31, 2023 is based upon a roll-forward of the liability calculated from the January 1, 2023 actuarial valuation.

Long-Term Expected Return on Plan Assets

The long-term expected rate of return is determined by adding expected inflation to expected long-term real returns and reflecting expected volatility and correlation. Investments for the LRLIF are held with Securian, the insurance carrier. Interest is calculated and credited to the LRLIF based on the rate of return for a segment of the insurance carriers' general fund, specifically 10-year A-Bonds (as a proxy, and not tied to any specific investments). The overall aggregate interest rate is calculated using a tiered approach based on the year the funds were originally invested and the rate of return for that year. Investment interest is credited based on the aggregate rate of return and assets are not adjusted to fair market value. Furthermore, the insurance carrier guarantees the principal amounts of the reserves, including all interest previously credited thereto.

**State OPEB Life Insurance
Asset Allocation Targets and Expected Returns
As of December 31, 2023**

<u>Asset Class</u>	<u>Index</u>	<u>Target Allocation</u>	<u>Long-Term Expected Geometric Real Rate of Return</u>
U.S. Intermediate Credit Bonds	Bloomberg U.S. Interm Credit	40.00%	2.32%
U.S. Mortgages	Bloomberg U.S. MBS	60.00	2.52
Inflation			2.30
Long-Term Expected Rate of Return			4.25

Single Discount Rate

A single discount rate of 3.32% was used to measure the total OPEB liability for the current year, as opposed to a discount rate of 3.76% for the prior year. The significant change in the discount rate was primarily caused by the increase in the municipal bond rate from 3.72% as of December 31, 2022 to 3.26% as of December 31, 2023. The Plan's fiduciary net position was projected to be insufficient to make all projected future benefit payments of current active and inactive members. Therefore, the discount rate for calculating the total OPEB liability is equal to the single equivalent rate that results in the same actuarial present value as the long-term expected rate of return applied to benefit payments, to the extent that the plan's fiduciary net position is projected to be sufficient to make projected benefit payments, and the municipal bond rate applied to benefit payment to the extent that the plan's fiduciary net position is projected to be insufficient. The plan's fiduciary net position was projected to be available to make projected future benefit payments of current plan members through December 31, 2036.

The projection of cash flows used to determine the single discount rate assumed that employer contributions will be made according to the current employer contribution schedule and that contributions are made by plan members retiring prior to age 65.

City of Columbus

Notes to Financial Statements
December 31, 2024

Sensitivity of the City's Proportionate Share of the Net OPEB Liability (Asset) to Changes in the Discount Rate

The following presents the City's proportionate share of the net OPEB liability (asset) calculated using the discount rate of 3.32%, as well as what the City's proportionate share of the net OPEB liability (asset) would be if it were calculated using a discount rate that is 1-percentage-point lower (2.32%) or 1-percentage-point higher (4.32%) than the current rate:

	<u>1% Decrease to Discount Rate (2.32%)</u>	<u>Current Discount Rate (3.32%)</u>	<u>1% Increase to Discount Rate (4.32%)</u>
City's proportionate share of the net OPEB liability (asset)	\$ 247,889	\$ 172,783	\$ 136,097

Subsequent Event

The utility commission approved a sewer rate increase of 56% effective April 1, 2025.

Economic Dependency

Water and Light Utility

The water and light utility has one significant electric customer who was responsible for 23% of operating revenues in 2024.

Tax Abatement

Tax abatements are a reduction in tax revenues that results from an agreement between one or more governments and an individual or entity in which (a) one or more governments promise to forgo tax revenues to which they are otherwise entitled and (b) the individual or entity promises to take a specific action after the agreement has been entered into that contributes to economic development or otherwise benefits the governments or the citizens of those governments.

The City is disclosing all abatement agreements.

The City through its Tax Incremental Financing District (TID) No. 4 has entered into tax abatement agreements with developers in the form of tax incremental financing incentive payments to stimulate economic development. The abatements are authorized through the TID project plan. The developers pay property taxes as they become due, and, after meeting the criteria established in the development agreements, are entitled to future incentive payments that directly correlate to the taxes paid. The incentives are calculated based on the property taxes collected on the specified properties and the developer commitments include construction of facilities and public improvements. Aggregate incentive payments for the year ended December 31, 2024 were \$283,360.

Effect of New Accounting Standards on Current-Period Financial Statements

The Governmental Accounting Standards Board (GASB) has approved the following:

- Statement No. 102, *Certain Risk Disclosures*
- Statement No. 103, *Financial Reporting Model Improvements*
- Statement No. 104, *Disclosure of Certain Capital Assets*

When they become effective, application of these standards may restate portions of these financial statements.

REQUIRED SUPPLEMENTARY INFORMATION

City of Columbus

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual -

General Fund

Year Ended December 31, 2024

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance With Final Budget</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Taxes				
General property taxes	\$ 2,316,234	\$ 2,316,234	\$ 2,316,234	\$ -
Mobile home lottery credit and parking fees	4,200	4,200	3,749	(451)
Taxes from other tax exempt entities	4,800	4,800	10,800	6,000
Interest and penalties on taxes	850	850	196	(654)
Other taxes	500	500	-	(500)
	<u>2,326,584</u>	<u>2,326,584</u>	<u>2,330,979</u>	<u>4,395</u>
Total taxes				
Intergovernmental				
State shared revenues	807,794	807,794	808,523	729
Fire insurance tax (2% fire dues)	21,400	21,400	25,711	4,311
Other state shared taxes	12,208	12,208	12,208	-
State aid, law enforcement improvement	1,200	1,200	5,171	3,971
State aid, general transportation aids	334,055	334,055	334,104	49
State aid, connecting streets	51,198	51,198	59,946	8,748
County aid, highway and bridges	9,779	9,779	4,888	(4,891)
State aid, general government	500	500	596	96
State aid, personal property aid payment	16,126	16,126	16,126	-
	<u>1,254,260</u>	<u>1,254,260</u>	<u>1,267,273</u>	<u>13,013</u>
Total intergovernmental				
Licenses and Permits				
Liquor and malt beverage licenses	11,500	11,500	11,355	(145)
Operators' license	7,000	7,000	4,220	(2,780)
Business and occupational licenses	68,000	68,000	68,222	222
Other business and occupational licenses	1,900	1,900	2,924	1,024
Dog and cat licenses	5,900	5,900	5,270	(630)
Building permits	3,000	3,000	5,380	2,380
	<u>97,300</u>	<u>97,300</u>	<u>97,371</u>	<u>71</u>
Total licenses and permits				
Fines, Forfeitures and Penalties				
Court penalties and costs	10,000	10,000	5,542	(4,458)
Parking violations	7,500	7,500	-	(7,500)
	<u>17,500</u>	<u>17,500</u>	<u>5,542</u>	<u>(11,958)</u>
Total fines, forfeitures and penalties				

See notes to required supplementary information

City of Columbus

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual -

General Fund

Year Ended December 31, 2024

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance With Final Budget</u>
	<u>Original</u>	<u>Final</u>		
Public Charges for Services				
General government	\$ 3,750	\$ 3,750	\$ 3,556	\$ (194)
Law enforcement fees	500	500	55,474	54,974
Fire protection fees	84,250	84,250	177,736	93,486
Public works fees	1,500	1,500	1,274	(226)
Weed and nuisance control	500	500	286	(214)
Cemetery	2,200	2,200	1,058	(1,142)
Recreation programs	28,100	28,100	41,483	13,383
Park rental	64,700	64,700	57,996	(6,704)
Community center	11,540	11,540	10,320	(1,220)
Total public charges for services	<u>197,040</u>	<u>197,040</u>	<u>349,183</u>	<u>152,143</u>
Special Assessments				
Curb and gutter	<u>2,147</u>	<u>2,147</u>	<u>2,147</u>	<u>-</u>
Investment Income				
Interest on investments	63,000	<u>63,000</u>	<u>74,585</u>	<u>11,585</u>
Miscellaneous Revenues				
Rent	1	1	2,435	2,434
Insurance dividends	5,100	5,100	6,145	1,045
Donations	12,000	12,000	27,425	15,425
Other miscellaneous	2,000	2,000	3,746	1,746
Insurance recoveries	2,500	2,500	3,494	994
Total miscellaneous revenues	<u>21,601</u>	<u>21,601</u>	<u>43,245</u>	<u>21,644</u>
Total revenues	<u>3,979,432</u>	<u>3,979,432</u>	<u>4,170,325</u>	<u>190,893</u>
Expenditures				
General Government				
Council/Board	30,267	30,267	30,817	(550)
Legal counseling	67,500	67,500	78,117	(10,617)
Codification of ordinances	17,200	17,200	6,827	10,373
Mayor	12,730	12,730	12,581	149
Administrator	82,178	82,178	79,826	2,352
Clerk	190,951	190,951	161,189	29,762
Elections	21,426	21,426	12,544	8,882
Media	68,913	68,913	72,910	(3,997)
Accounting	47,500	47,500	38,298	9,202
Treasurer	68,821	68,821	77,757	(8,936)
Assessment of property	24,100	24,100	52,418	(28,318)
General buildings/plant/hall	110,857	203,357	188,933	14,424
Property and liability insurance	115,000	115,000	116,493	(1,493)
Other insurance	5,500	5,500	230	5,270
Other general government	20,000	520,000	46,821	473,179
Total general government	<u>882,943</u>	<u>1,475,443</u>	<u>975,761</u>	<u>499,682</u>

See notes to required supplementary information

City of Columbus

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual -

General Fund

Year Ended December 31, 2024

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance With Final Budget</u>
	<u>Original</u>	<u>Final</u>		
Public Safety				
Administration	\$ 467,043	\$ 498,543	\$ 498,433	\$ 110
Patrol	798,375	798,375	695,379	102,996
Police support services	130,206	130,206	119,570	10,636
Crossing guards	31,393	31,393	27,830	3,563
Fire department	332,122	352,122	475,697	(123,575)
Emergency government	15,289	15,289	8,810	6,479
Other public safety	8,031	8,031	8,140	(109)
Building inspection	54,400	54,400	47,336	7,064
Total public safety	<u>1,836,859</u>	<u>1,888,359</u>	<u>1,881,195</u>	<u>7,164</u>
Health and Human Services				
Animal control	1,500	1,500	1,500	-
Aging	137,945	137,945	136,981	964
Total health and human services	<u>139,445</u>	<u>139,445</u>	<u>138,481</u>	<u>964</u>
Public Works				
Public works/highway administration	174,038	174,038	135,550	38,488
Machinery operation and maintenance	161,880	161,880	150,817	11,063
Highway and street maintenance and construction	217,219	217,219	207,401	9,818
Snow and ice control	132,099	132,099	142,144	(10,045)
Street lighting	122,000	122,000	123,458	(1,458)
City buildings and grounds	84,643	84,643	82,386	2,257
Total public works	<u>891,879</u>	<u>891,879</u>	<u>841,756</u>	<u>50,123</u>
Culture, Recreation and Education				
Museum	9,000	9,000	4,866	4,134
Parks	191,244	191,244	201,788	(10,544)
Recreation programs and events	200,543	200,543	205,204	(4,661)
Recreation facilities	22,552	22,552	22,248	304
Total culture, recreation and education	<u>423,339</u>	<u>423,339</u>	<u>434,106</u>	<u>(10,767)</u>
Conservation and Development				
Forestry	123,569	123,569	114,165	9,404
Weed control	31,690	31,690	26,559	5,131
Economic development	40,000	40,000	40,000	-
Planning	57,211	57,211	87,968	(30,757)
Total conservation and development	<u>252,470</u>	<u>252,470</u>	<u>268,692</u>	<u>(16,222)</u>
Total expenditures	<u>4,426,935</u>	<u>5,070,935</u>	<u>4,539,991</u>	<u>530,944</u>

See notes to required supplementary information

City of Columbus

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual -

General Fund

Year Ended December 31, 2024

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance With Final Budget</u>
	<u>Original</u>	<u>Final</u>		
Excess (deficiency) of revenues over (under) expenditures	<u>\$ (447,503)</u>	<u>\$ (1,091,503)</u>	<u>(369,666)</u>	<u>\$ 721,837</u>
Other Financing Sources (Uses)				
Transfers in	521,913	521,913	476,038	(45,875)
Transfers out	<u>(269,410)</u>	<u>(305,410)</u>	<u>(312,640)</u>	<u>(7,230)</u>
Total other financing sources (uses)	<u>252,503</u>	<u>216,503</u>	<u>163,398</u>	<u>(53,105)</u>
Net change in fund balance	(195,000)	(875,000)	(206,268)	668,732
Fund Balance, Beginning	<u>3,122,185</u>	<u>3,122,185</u>	<u>3,122,185</u>	<u>-</u>
Fund Balance, Ending	<u>\$ 2,927,185</u>	<u>\$ 2,247,185</u>	<u>\$ 2,915,917</u>	<u>\$ 668,732</u>

See notes to required supplementary information

City of Columbus

Schedule of Proportionate Share of the Net Pension Liability -
Wisconsin Retirement System
Year Ended December 31, 2024

<u>Fiscal Year Ending</u>	<u>Proportion of the Net Pension Liability/(Asset)</u>	<u>Proportionate Share of the Net Pension Liability/(Asset)</u>	<u>Covered Payroll</u>	<u>Proportionate Share of the Net Pension Liability/ (Asset) as a Percentage of Covered Payroll</u>	<u>Plan Fiduciary Net Position as a Percentage of the Total Pension Liability</u>
12/31/24	0.01689588 %	\$ 251,208	\$ 2,715,904	9.25 %	98.85 %
12/31/23	0.01766765 %	935,979	2,595,063	36.07 %	95.72 %
12/31/22	0.01796882 %	(1,448,319)	2,568,265	56.39 %	106.02 %
12/31/21	0.01847687 %	(1,153,536)	2,756,065	41.85 %	105.26 %
12/31/20	0.01851095 %	(596,877)	2,522,763	23.66 %	102.96 %
12/31/19	0.01886686 %	671,223	2,551,380	26.31 %	96.45 %
12/31/18	0.01883790 %	(559,319)	2,550,712	21.93 %	102.93 %
12/31/17	0.01877302 %	154,735	2,478,792	6.24 %	99.12 %
12/31/16	0.01897080 %	308,272	2,401,552	12.84 %	98.20 %
12/31/15	0.01935417 %	(475,391)	2,409,212	19.73 %	102.74 %

Schedule of Employer Contributions - Wisconsin Retirement System
Year Ended December 31, 2024

<u>Fiscal Year Ending</u>	<u>Contractually Required Contributions</u>	<u>Contributions in Relation to the Contractually Required Contributions</u>	<u>Contribution Deficiency (Excess)</u>	<u>Covered Payroll</u>	<u>Contributions as a Percentage of Covered Payroll</u>
12/31/24	\$ 212,127	\$ 212,127	\$ -	\$ 3,257,727	6.51 %
12/31/23	206,266	206,266	-	2,718,041	7.60 %
12/31/22	190,573	190,573	-	2,595,064	7.34 %
12/31/21	193,092	193,092	-	2,568,266	7.52 %
12/31/20	208,747	208,747	-	2,756,065	7.57 %
12/31/19	186,871	186,871	-	2,328,601	8.03 %
12/31/18	191,420	191,420	-	2,551,381	7.50 %
12/31/17	194,721	194,721	-	2,550,712	7.63 %
12/31/16	178,727	178,727	-	2,478,792	7.21 %
12/31/15	176,280	176,280	-	2,401,552	7.34 %

See notes to required supplementary information

City of Columbus

Schedule of Proportionate Share of the Net OPEB Liability -

Local Retiree Life Insurance Fund

Year Ended December 31, 2024

<u>Fiscal Year Ending</u>	<u>Proportion of the Net OPEB Liability</u>	<u>Proportionate Share of the Net OPEB Liability</u>	<u>Covered Payroll</u>	<u>Proportionate Share of the Net OPEB Liability as a Percentage of Covered Payroll</u>	<u>Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability</u>
12/31/24	0.04010100 %	\$ 172,783	\$ 2,540,000	6.80 %	33.90 %
12/31/23	0.04041200 %	153,963	2,258,000	6.82 %	38.81 %
12/31/22	0.03734900 %	220,746	2,270,000	9.72 %	29.57 %
12/31/21	0.03925600 %	215,936	2,117,000	10.20 %	31.36 %
12/31/20	0.04185000 %	178,205	2,220,000	8.03 %	37.58 %
12/31/19	0.04828700 %	124,597	2,141,000	5.82 %	48.69 %
12/31/18	0.04940100 %	148,627	2,077,453	7.15 %	44.81 %

Schedule of Employer Contributions - Local Retiree Life Insurance Fund

Year Ended December 31, 2024

<u>Fiscal Year Ending</u>	<u>Contractually Required Contributions</u>	<u>Contributions in Relation to the Contractually Required Contributions</u>	<u>Contribution Deficiency (Excess)</u>	<u>Covered Payroll</u>	<u>Contributions as a Percentage of Covered Payroll</u>
12/31/24	\$ 4,921	\$ 4,921	\$ -	\$ 3,020,284	0.16 %
12/31/23	4,630	4,630	-	2,420,417	0.19 %
12/31/22	2,081	2,081	-	2,255,885	0.09 %
12/31/21	1,504	1,504	-	2,356,575	0.06 %
12/31/20	515	515	-	1,983,388	0.03 %
12/31/19	513	513	-	2,074,295	0.02 %
12/31/18	941	941	-	2,058,357	0.05 %

See notes to required supplementary information

City of Columbus

Notes to Required Supplementary Information
Year Ended December 31, 2024

Budgetary Information

Budgetary information is derived from the annual operating budget and is presented using the same basis of accounting for each fund as described in Note 1.

The budgeted amounts presented include any amendments made. The City may authorize transfers of budgeted amounts within departments. Transfers between departments and changes to the overall budget must be approved by a two-thirds council action.

Appropriations lapse at year end unless specifically carried over. There were no carryovers to the following year. Budgets are adopted at the department level of expenditure.

Wisconsin Retirement System

The amounts determined for each fiscal year were determined as of the calendar year-end and occurred within the fiscal year.

Changes in benefit terms. There were no changes of benefit terms for any participating employer in the Wisconsin Retirement System.

Changes in assumptions. Based on a three-year experience study conducted in 2021 covering January 1, 2018 through December 31, 2020, the ETF Board adopted assumption changes that were used to measure the total pension liability beginning with the year-end December 31, 2021, including the following:

- Lowering the long-term expected rate of return from 7.0% to 6.8%
- Lowering the discount rate from 7.0% to 6.8%
- Lowering the price inflation rate from 2.5% to 2.4%
- Lowering the postretirement adjustments from 1.9% to 1.7%
- Mortality assumptions were changed to reflect updated trends by transitioning from the Wisconsin 2018 Mortality Table to the 2020 WRS Experience Mortality Table

Based on a three-year experience study conducted in 2018 covering January 1, 2015 through December 31, 2017, the ETF Board adopted assumption changes that were used to measure the total pension liability beginning with the year-ended December 31, 2018, including the following:

- Lowering the long-term expected rate of return from 7.2% to 7.0%
- Lowering the discount rate from 7.2% to 7.0%
- Lowering the wage inflation rate from 3.2% to 3.0%
- Lowering the price inflation rate from 2.7% to 2.5%
- Lowering the postretirement adjustments from 2.1% to 1.9%
- Mortality assumptions were changed to reflect updated trends by transitioning from the Wisconsin 2012 Mortality Table to the Wisconsin 2018 Mortality Table

City of Columbus

Notes to Required Supplementary Information
Year Ended December 31, 2024

Local Retiree Life Insurance Fund

The amounts determined for each fiscal year were determined as of the calendar year-end and occurred within the fiscal year.

The City is required to present the last ten years of data; however, accounting standards allow the presentation of as many years as are available until ten fiscal years are presented.

Changes in benefit terms. There were no changes of benefit terms for any participating employer in LRLIF.

Changes in assumptions. In addition to the rate changes detailed in the tables above, the State of Wisconsin Employee Trust Fund Board adopted economic and demographic assumption changes based on a three year experience study performed for the Wisconsin Retirement System. These assumptions are used in the actuarial valuations of OPEB liabilities (assets) for the retiree life insurance programs and are summarized below.

The assumption changes that were used to measure the December 31, 2021 total OPEB liabilities, including the following:

- Lowering the price inflation rate from 2.5% to 2.4%
- Mortality assumptions were changed to reflect updated trends by transitioning from the Wisconsin 2018 Mortality Table to the 2020 WRS Experience Mortality Table

The assumption changes that were used to measure the December 31, 2018 total OPEB liabilities, including the following:

- Lowering the long-term expected rate of return from 5.00% to 4.25%
- Lowering the wage inflation rate from 3.2% to 3.0%
- Lowering the price inflation rate from 2.7% to 2.5%
- Mortality assumptions were changed to reflect updated trends by transitioning from the Wisconsin 2012 Mortality Table to the Wisconsin 2018 Mortality Table

SUPPLEMENTARY INFORMATION

City of Columbus

Combining Balance Sheet -
Nonmajor Governmental Funds
December 31, 2024

	Special Revenue Funds				
	Cemetery Fund	Room Tax Fund	Cable TV Fund	Solid Waste Fund	Library Fund
Assets					
Cash and investments	\$ 216,255	\$ -	\$ 257,812	\$ -	\$ 152,361
Receivables:					
Taxes receivable	82,255	-	-	400,464	300,000
Accounts	-	38,449	12,863	470	-
Loans	-	-	-	-	-
Total assets	<u>\$ 298,510</u>	<u>\$ 38,449</u>	<u>\$ 270,675</u>	<u>\$ 400,934</u>	<u>\$ 452,361</u>
Liabilities, Deferred Inflows of Resources and Fund Balances					
Liabilities					
Accounts payable	\$ 177	\$ -	\$ 181	\$ 17,509	\$ 4,992
Accrued liabilities	116	-	-	-	4,555
Deposits	-	-	-	-	-
Due to other funds	-	10,248	-	46,047	-
Advances from other funds	-	-	-	-	-
Total liabilities	<u>293</u>	<u>10,248</u>	<u>181</u>	<u>63,556</u>	<u>9,547</u>
Deferred Inflows of Resources					
Unearned revenues	<u>82,255</u>	<u>-</u>	<u>-</u>	<u>400,464</u>	<u>305,000</u>
Total deferred inflows of resources	<u>82,255</u>	<u>-</u>	<u>-</u>	<u>400,464</u>	<u>305,000</u>
Fund Balances (Deficit)					
Restricted	215,962	-	-	-	137,814
Committed	-	28,201	270,494	-	-
Unassigned (deficit)	-	-	-	(63,086)	-
Total fund balances (deficit)	<u>215,962</u>	<u>28,201</u>	<u>270,494</u>	<u>(63,086)</u>	<u>137,814</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 298,510</u>	<u>\$ 38,449</u>	<u>\$ 270,675</u>	<u>\$ 400,934</u>	<u>\$ 452,361</u>

Special Revenue Funds

<u>Pool Fund</u>	<u>Library Board</u>	<u>Ward Beautification</u>	<u>Development Fees Fund</u>	<u>Historic Landmarks and Preservation</u>	<u>Joint EMS Fund</u>	<u>Parks Fund</u>
\$ -	\$ 436,914	\$ 15,138	\$ 8,309	\$ 198,857	\$ 62,989	\$ 121,012
125,000	-	-	-	-	-	-
134	-	-	5,371	-	-	-
-	-	-	-	-	-	-
<u>\$ 125,134</u>	<u>\$ 436,914</u>	<u>\$ 15,138</u>	<u>\$ 13,680</u>	<u>\$ 198,857</u>	<u>\$ 62,989</u>	<u>\$ 121,012</u>
\$ -	\$ -	\$ -	\$ 5,169	\$ -	\$ -	\$ -
-	-	-	-	-	-	-
-	-	-	2,978	-	50,000	-
-	-	-	16,967	-	-	-
255,263	-	-	-	-	-	-
<u>255,263</u>	<u>-</u>	<u>-</u>	<u>25,114</u>	<u>-</u>	<u>50,000</u>	<u>-</u>
125,000	-	-	-	-	-	-
<u>125,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
-	436,914	15,138	-	198,857	-	-
-	-	-	-	-	12,989	121,012
<u>(255,129)</u>	<u>-</u>	<u>-</u>	<u>(11,434)</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>(255,129)</u>	<u>436,914</u>	<u>15,138</u>	<u>(11,434)</u>	<u>198,857</u>	<u>12,989</u>	<u>121,012</u>
<u>\$ 125,134</u>	<u>\$ 436,914</u>	<u>\$ 15,138</u>	<u>\$ 13,680</u>	<u>\$ 198,857</u>	<u>\$ 62,989</u>	<u>\$ 121,012</u>

City of Columbus

Combining Balance Sheet -
Nonmajor Governmental Funds
December 31, 2024

	<u>Special Revenue Funds</u>		<u>Capital Projects Funds</u>		
	<u>Tourism</u>	<u>Loan Fund</u>	<u>TIF No. 3</u>	<u>TIF No. 4</u>	<u>TIF No. 5</u>
Assets					
Cash and investments	\$ 59,851	\$ 14,054	\$ 241,360	\$ 378,623	\$ -
Receivables:					
Taxes receivable	-	-	-	342,714	26,317
Accounts	3,144	-	-	-	-
Loans	-	27,140	-	-	-
Total assets	<u>\$ 62,995</u>	<u>\$ 41,194</u>	<u>\$ 241,360</u>	<u>\$ 721,337</u>	<u>\$ 26,317</u>
Liabilities, Deferred Inflows of Resources and Fund Balances					
Liabilities					
Accounts payable	\$ -	\$ -	\$ 241,503	\$ -	\$ -
Accrued liabilities	-	-	-	318	318
Deposits	-	-	-	-	-
Due to other funds	-	-	-	-	-
Advances from other funds	-	-	-	-	57,472
Total liabilities	-	-	241,503	318	57,790
Deferred Inflows of Resources					
Unearned revenues	-	-	-	342,714	26,317
Total deferred inflows of resources	-	-	-	342,714	26,317
Fund Balances (Deficit)					
Restricted	-	41,194	-	378,305	-
Committed	62,995	-	-	-	-
Unassigned (deficit)	-	-	(143)	-	(57,790)
Total fund balances (deficit)	<u>62,995</u>	<u>41,194</u>	<u>(143)</u>	<u>378,305</u>	<u>(57,790)</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 62,995</u>	<u>\$ 41,194</u>	<u>\$ 241,360</u>	<u>\$ 721,337</u>	<u>\$ 26,317</u>

<u>Capital Projects Funds</u>		<u>Total Nonmajor Governmental Funds</u>
<u>TIF No. 6</u>	<u>TIF No. 7</u>	
\$ 28,011	\$ 771,612	\$ 2,963,158
21,441	-	1,298,191
-	-	60,431
-	-	27,140
<u>\$ 49,452</u>	<u>\$ 771,612</u>	<u>\$ 4,348,920</u>

\$ -	\$ 19,553	\$ 289,084
318	-	5,625
-	-	52,978
-	-	73,262
<u>77,777</u>	<u>-</u>	<u>390,512</u>
<u>78,095</u>	<u>19,553</u>	<u>811,461</u>

<u>21,441</u>	<u>-</u>	<u>1,303,191</u>
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<u>21,441</u>	<u>-</u>	<u>1,303,191</u>
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-	752,059	2,176,243
-	-	495,691
<u>(50,084)</u>	<u>-</u>	<u>(437,666)</u>

<u>(50,084)</u>	<u>752,059</u>	<u>2,234,268</u>
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<u>\$ 49,452</u>	<u>\$ 771,612</u>	<u>\$ 4,348,920</u>
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City of Columbus

Combining Statement of Revenues, Expenditures and Changes in Fund Balances -
 Nonmajor Governmental Funds
 Year Ended December 31, 2024

	Special Revenue Funds				
	Cemetery Fund	Room Tax Fund	Cable TV Fund	Solid Waste Fund	Library Fund
Revenues					
Taxes	\$ 56,306	\$ 49,579	\$ -	\$ -	\$ 295,000
Intergovernmental	-	-	12,892	-	166,758
Licenses and permits	-	-	48,933	-	-
Fines, forfeitures and penalties	-	-	-	-	605
Public charges for services	18,498	-	-	390,464	-
Intergovernmental charges for services	-	-	-	-	-
Investment income	10,810	163	6,234	228	3,238
Miscellaneous revenues	33,775	-	-	-	13,280
Total revenues	<u>119,389</u>	<u>49,742</u>	<u>68,059</u>	<u>390,692</u>	<u>478,881</u>
Expenditures					
Current:					
General government	-	-	-	-	-
Health and human services	128,240	-	-	-	-
Public works	-	-	-	372,615	-
Public safety	-	-	-	-	-
Culture, recreation and education	-	-	6,457	-	465,517
Conservation and development	-	58,421	-	-	-
Capital outlay	-	-	4,759	-	-
Debt service:					
Interest and fiscal charges	-	-	-	-	-
Total expenditures	<u>128,240</u>	<u>58,421</u>	<u>11,216</u>	<u>372,615</u>	<u>465,517</u>
Excess (deficiency) of revenues over expenditures	<u>(8,851)</u>	<u>(8,679)</u>	<u>56,843</u>	<u>18,077</u>	<u>13,364</u>
Other Financing Sources (Uses)					
General obligation debt issued	-	-	-	-	-
Premium on debt issued	-	-	-	-	-
Transfers in	-	-	-	-	-
Transfers out	-	-	(31,182)	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>(31,182)</u>	<u>-</u>	<u>-</u>
Net change in fund balances	(8,851)	(8,679)	25,661	18,077	13,364
Fund Balances (Deficit), Beginning	<u>224,813</u>	<u>36,880</u>	<u>244,833</u>	<u>(81,163)</u>	<u>124,450</u>
Fund Balances (Deficit), Ending	<u>\$ 215,962</u>	<u>\$ 28,201</u>	<u>\$ 270,494</u>	<u>\$ (63,086)</u>	<u>\$ 137,814</u>

Special Revenue Funds

<u>Pool Fund</u>	<u>Library Board</u>	<u>Ward Beautification</u>	<u>Development Fees Fund</u>	<u>Historic Landmarks and Preservation</u>	<u>Joint EMS Fund</u>	<u>Parks Fund</u>
\$ 100,250	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
7,127	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
166,989	-	-	-	-	-	-
-	-	-	-	-	120,499	-
111	42,333	115	-	2,120	219	517
504	1,080	1,238	-	34,769	-	76,803
<u>274,981</u>	<u>43,413</u>	<u>1,353</u>	<u>-</u>	<u>36,889</u>	<u>120,718</u>	<u>77,320</u>
-	-	-	-	-	-	-
-	-	1,267	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	193,108	-
295,713	8,520	-	-	2,408	-	-
-	-	-	-	-	-	-
-	-	-	-	5,742	-	-
-	-	-	-	-	-	-
<u>295,713</u>	<u>8,520</u>	<u>1,267</u>	<u>-</u>	<u>8,150</u>	<u>193,108</u>	<u>-</u>
<u>(20,732)</u>	<u>34,893</u>	<u>86</u>	<u>-</u>	<u>28,739</u>	<u>(72,390)</u>	<u>77,320</u>
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	1,500	-	7,230	97,910	-
-	-	-	-	-	-	-
-	-	1,500	-	7,230	97,910	-
(20,732)	34,893	1,586	-	35,969	25,520	77,320
<u>(234,397)</u>	<u>402,021</u>	<u>13,552</u>	<u>(11,434)</u>	<u>162,888</u>	<u>(12,531)</u>	<u>43,692</u>
<u>\$ (255,129)</u>	<u>\$ 436,914</u>	<u>\$ 15,138</u>	<u>\$ (11,434)</u>	<u>\$ 198,857</u>	<u>\$ 12,989</u>	<u>\$ 121,012</u>

City of Columbus

Combining Statement of Revenues, Expenditures and Changes in Fund Balances -
 Nonmajor Governmental Funds
 Year Ended December 31, 2024

	<u>Special Revenue Funds</u>		<u>Capital Projects Fund</u>		
	<u>Tourism</u>	<u>Loan Fund</u>	<u>TIF No. 3</u>	<u>TIF No. 4</u>	<u>TIF No. 5</u>
Revenues					
Taxes	\$ -	\$ -	\$ -	\$ 413,869	\$ 21,387
Intergovernmental	-	-	-	1,663	-
Licenses and permits	-	-	-	-	-
Fines, forfeitures and penalties	-	-	-	-	-
Public charges for services	-	-	-	-	-
Intergovernmental charges for services	-	-	-	-	-
Investment income	231	1,040	-	17,509	6
Miscellaneous revenues	34,705	-	-	-	-
Total revenues	34,936	1,040	-	433,041	21,393
Expenditures					
Current:					
General government	-	-	17,444	3,563	-
Health and human services	-	-	-	-	-
Public works	-	-	-	-	-
Public safety	-	-	-	-	-
Culture, recreation and education	-	-	-	-	-
Conservation and development	15,185	-	-	314,425	34,807
Capital outlay	-	-	-	161	-
Debt service:					
Interest and fiscal charges	-	-	-	-	-
Total expenditures	15,185	-	17,444	318,149	34,807
Excess (deficiency) of revenues over expenditures	19,751	1,040	(17,444)	114,892	(13,414)
Other Financing Sources (Uses)					
General obligation debt issued	-	-	-	-	-
Premium on debt issued	-	-	-	-	-
Transfers in	-	-	-	-	-
Transfers out	(13,567)	-	-	(97,023)	-
Total other financing sources (uses)	(13,567)	-	-	(97,023)	-
Net change in fund balances	6,184	1,040	(17,444)	17,869	(13,414)
Fund Balances (Deficit), Beginning	56,811	40,154	17,301	360,436	(44,376)
Fund Balances (Deficit), Ending	\$ 62,995	\$ 41,194	\$ (143)	\$ 378,305	\$ (57,790)

<u>Capital Projects Fund</u>		
<u>TIF No. 6</u>	<u>TIF No. 7</u>	<u>Total Nonmajor Governmental Funds</u>
\$ 63,893	\$ -	\$ 1,000,284
-	-	188,440
-	-	48,933
-	-	605
-	-	575,951
-	-	120,499
116	-	84,990
-	-	196,154
<u>64,009</u>	<u>-</u>	<u>2,215,856</u>
3,413	-	24,420
-	-	129,507
-	-	372,615
-	-	193,108
-	-	778,615
32,425	40,486	495,749
141	33,767	44,570
-	23,206	23,206
<u>35,979</u>	<u>97,459</u>	<u>2,061,790</u>
<u>28,030</u>	<u>(97,459)</u>	<u>154,066</u>
-	810,000	810,000
-	39,518	39,518
-	-	106,640
-	-	(141,772)
<u>-</u>	<u>849,518</u>	<u>814,386</u>
28,030	752,059	968,452
<u>(78,114)</u>	<u>-</u>	<u>1,265,816</u>
<u>\$ (50,084)</u>	<u>\$ 752,059</u>	<u>\$ 2,234,268</u>

City of Columbus

Statement of Cash Flows

Component Unit

Year Ended December 31, 2024

	Community Development Authority
Cash Flows From Operating Activities	
Received from City and other contributors	\$ 83,360
Paid to suppliers for goods and services	(39,805)
Paid to employees for services	<u>(25,609)</u>
Net cash flows from operating activities	<u>17,946</u>
Cash Flows From Investing Activities	
Investment income	<u>3,305</u>
Net cash flows from investing activities	<u>3,305</u>
Net change in cash and cash equivalents	21,251
Cash and Cash Equivalents, Beginning	<u>74,051</u>
Cash and Cash Equivalents, Ending	<u><u>\$ 95,302</u></u>
Reconciliation of Operating Income to Net Cash Flows From Operating Activities	
Operating income	\$ 19,066
Changes in assets and liabilities:	
Accounts payable	(1,281)
Accrued liabilities	<u>161</u>
Net cash flows from operating activities	<u><u>\$ 17,946</u></u>
Noncash Capital and Related Financing Activities	
None	

FORM OF LEGAL OPINION

(See following pages)

Quarles & Brady LLP
411 East Wisconsin Avenue
Milwaukee, WI 53202

April 23, 2026

Re: City of Columbus, Wisconsin ("Issuer")
\$5,280,000 Electric and Waterworks System Revenue Bonds, Series 2026A,
dated April 23, 2026 ("Bonds")

We have acted as bond counsel to the Issuer in connection with the issuance of the Bonds. In such capacity, we have examined such law and such certified proceedings, certifications, and other documents as we have deemed necessary to render this opinion.

Regarding questions of fact material to our opinion, we have relied on the certified proceedings and other certifications of public officials and others furnished to us without undertaking to verify the same by independent investigation.

The Bonds are issued pursuant to Section 66.0621, Wisconsin Statutes, and a resolution adopted by the Common Council of the Issuer on April 8, 2026 (the "Bond Resolution"). Pursuant to the Bond Resolution, the Bonds are issued on a parity with the Issuer's outstanding Electric and Waterworks System Revenue Bonds, Series 2016A, dated June 8, 2016 (the "Prior Bonds"). The Issuer covenanted in the Bond Resolution that revenues of the Electric System and Waterworks System (collectively, the "System") of the Issuer which are deposited in the Special Redemption Fund provided by the Bond Resolution (the "Revenues") shall at all times be sufficient to pay the principal of and interest on the Prior Bonds and the Bonds as the same falls due.

The Bonds are numbered from R-1 and upward; bear interest at the rates set forth below; and mature on May 1 of each year, in the years and principal amounts as follows:

<u>Year</u>	<u>Principal Amount</u>	<u>Interest Rate</u>
2027	\$ 85,000	___%
2028	205,000	___
2029	210,000	___
2030	215,000	___
2031	225,000	___
2032	235,000	___
2033	245,000	___
2034	250,000	___
2035	255,000	___
2036	265,000	___
2037	255,000	___
2038	265,000	___
2039	275,000	___
2040	285,000	___
2041	300,000	___
2042	310,000	___

<u>Year</u>	<u>Principal Amount</u>	<u>Interest Rate</u>
2043	\$325,000	___%
2044	340,000	___
2045	360,000	___
2046	375,000	___

Interest is payable semi-annually on May 1 and November 1 of each year commencing on May 1, 2027.

The Bonds maturing on May 1, 2035 and thereafter are subject to redemption prior to maturity, at the option of the Issuer, on May 1, 2034 or on any date thereafter. Said Bonds are redeemable as a whole or in part, and if in part, from maturities selected by the Issuer, and within each maturity by lot, at the principal amount thereof, plus accrued interest to the date of redemption.

[The Bonds maturing in the years _____ are subject to mandatory redemption by lot as provided in the Bonds, at the redemption price of par plus accrued interest to the date of redemption and without premium.]

We further certify that we have examined a sample of the Bonds and find the same to be in proper form.

Based upon and subject to the foregoing, it is our opinion under existing law that:

1. The Issuer is duly created and validly existing under the Constitution and laws of the State of Wisconsin with the power to adopt the Bond Resolution, perform the agreements on its part contained therein and issue the Bonds.
2. The Bond Resolution has been duly adopted by the Issuer and constitutes a valid and binding obligation of the Issuer enforceable upon the Issuer.
3. The Bonds have been lawfully authorized and issued by the Issuer pursuant to the laws of the State of Wisconsin now in force and are valid and binding special obligations of the Issuer in accordance with their terms payable solely from the Revenues of the System. The Bonds, together with interest thereon, do not constitute an indebtedness of the Issuer nor a charge against its general credit or taxing power.
4. The interest on the Bonds is excludable for federal income tax purposes from the gross income of the owners of the Bonds. The interest on the Bonds is not an item of tax preference for purposes of the federal alternative minimum tax imposed by Section 55 of the Internal Revenue Code of 1986, as amended (the "Code") on individuals; however, interest on the Bonds is taken into account in determining "adjusted financial statement income" for purposes of computing the federal alternative minimum tax imposed on Applicable Corporations (as defined in Section 59(k) of the Code). The Code contains requirements that must be satisfied subsequent to the issuance of the Bonds in order for interest on the Bonds to be or continue to be excludable from gross income for federal income tax purposes. Failure to comply with certain of those requirements could cause the interest on the Bonds to be included in gross income

retroactively to the date of issuance of the Bonds. The Issuer has agreed to comply with all of those requirements. The opinion set forth in the first sentence of this paragraph is subject to the condition that the Issuer comply with those requirements. We express no opinion regarding other federal tax consequences arising with respect to the Bonds.

We express no opinion regarding the accuracy, adequacy, or completeness of the Official Statement or any other offering material relating to the Bonds. Further, we express no opinion regarding tax consequences arising with respect to the Bonds other than as expressly set forth herein.

We express no opinion regarding the creation, perfection or priority of any security interest in the Revenues or other funds created by the Bond Resolution or on the sufficiency of the Revenues.

The rights of the owners of the Bonds and the enforceability thereof may be subject to bankruptcy, insolvency, reorganization, moratorium and similar laws affecting creditors' rights and may be subject to the exercise of judicial discretion in accordance with general principles of equity, whether considered at law or in equity.

This opinion is given as of the date hereof, and we assume no obligation to revise or supplement this opinion to reflect any facts or circumstances that may hereafter come to our attention, or any changes in law that may hereafter occur.

QUARLES & BRADY LLP

BOOK-ENTRY-ONLY SYSTEM

1. The Depository Trust Company ("DTC"), New York, New York, will act as securities depository for the securities (the "Securities"). The Securities will be issued as fully-registered securities registered in the name of Cede & Co. (DTC's partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully-registered Security certificate will be issued for [each issue of] the Securities, [each] in the aggregate principal amount of such issue, and will be deposited with DTC. [If, however, the aggregate principal amount of [any] issue exceeds \$500 million, one certificate will be issued with respect to each \$500 million of principal amount, and an additional certificate will be issued with respect to any remaining principal amount of such issue.]
2. DTC, the world's largest securities depository, is a limited-purpose trust company organized under the New York Banking Law, a "banking organization" within the meaning of the New York Banking Law, a member of the Federal Reserve System, a "clearing corporation" within the meaning of the New York Uniform Commercial Code, and a "clearing agency" registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934. DTC holds and provides asset servicing for over 3.5 million issues of U.S. and non-U.S. equity issues, corporate and municipal debt issues, and money market instruments (from over 100 countries) that DTC's participants ("Direct Participants") deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities, through electronic computerized book-entry transfers and pledges between Direct Participants' accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is a wholly-owned subsidiary of The Depository Trust & Clearing Corporation ("DTCC"). DTCC is the holding company for DTC, National Securities Clearing Corporation and Fixed Income Clearing Corporation, all of which are registered clearing agencies. DTCC is owned by the users of its regulated subsidiaries. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly ("Indirect Participants"). DTC has a Standard & Poor's rating of AA+. The DTC Rules applicable to its Participants are on file with the Securities and Exchange Commission. More information about DTC can be found at www.dtcc.com.
3. Purchases of Securities under the DTC system must be made by or through Direct Participants, which will receive a credit for the Securities on DTC's records. The ownership interest of each actual purchaser of each Security ("Beneficial Owner") is in turn to be recorded on the Direct and Indirect Participants' records. Beneficial Owners will not receive written confirmation from DTC of their purchase. Beneficial Owners are, however, expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the Securities are to be accomplished by entries made on the books of Direct and Indirect Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in Securities, except in the event that use of the book-entry system for the Securities is discontinued.
4. To facilitate subsequent transfers, all Securities deposited by Direct Participants with DTC are registered in the name of DTC's partnership nominee, Cede & Co., or such other name as may be requested by an authorized representative of DTC. The deposit of Securities with DTC and their registration in the name of Cede & Co. or such other DTC nominee do not effect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the Securities; DTC's records reflect only the identity of the Direct Participants to whose accounts such Securities are credited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants will remain responsible for keeping account of their holdings on behalf of their customers.

5. Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time. [Beneficial Owners of Securities may wish to take certain steps to augment the transmission to them of notices of significant events with respect to the Securities, such as redemptions, tenders, defaults, and proposed amendments to the Security documents. For example, Beneficial Owners of Securities may wish to ascertain that the nominee holding the Securities for their benefit has agreed to obtain and transmit notices to Beneficial Owners. In the alternative, Beneficial Owners may wish to provide their names and addresses to the registrar and request that copies of notices be provided directly to them.]
6. Redemption notices shall be sent to DTC. If less than all of the Securities within an issue are being redeemed, DTC's practice is to determine by lot the amount of the interest of each Direct Participant in such issue to be redeemed.
7. Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to Securities unless authorized by a Direct Participant in accordance with DTC's MMI Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to City as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts Securities are credited on the record date (identified in a listing attached to the Omnibus Proxy).
8. Redemption proceeds, distributions, and dividend payments on the Securities will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts upon DTC's receipt of funds and corresponding detail information from the City or Agent, on payable date in accordance with their respective holdings shown on DTC's records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such Participant and not of DTC, Agent, or the City, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of redemption proceeds, distributions, and dividend payments to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of the City or Agent, disbursement of such payments to Direct Participants will be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners will be the responsibility of Direct and Indirect Participants.
9. A Beneficial Owner shall give notice to elect to have its Securities purchased or tendered, through its Participant, to [Tender/Remarketing] Agent, and shall effect delivery of such Securities by causing the Direct Participant to transfer the Participant's interest in the Securities, on DTC's records, to [Tender/Remarketing] Agent. The requirement for physical delivery of Securities in connection with an optional tender or a mandatory purchase will be deemed satisfied when the ownership rights in the Securities are transferred by Direct Participants on DTC's records and followed by a book-entry credit of tendered Securities to [Tender/Remarketing] Agent's DTC account.
10. DTC may discontinue providing its services as depository with respect to the Securities at any time by giving reasonable notice to the City or Agent. Under such circumstances, in the event that a successor depository is not obtained, Security certificates are required to be printed and delivered.
11. The City may decide to discontinue use of the system of book-entry-only transfers through DTC (or a successor securities depository). In that event, Security certificates will be printed and delivered to DTC.
12. The information in this section concerning DTC and DTC's book-entry system has been obtained from sources that the City believes to be reliable, but the City takes no responsibility for the accuracy thereof.

FORM OF CONTINUING DISCLOSURE CERTIFICATE

(See following pages)

CONTINUING DISCLOSURE CERTIFICATE

This Continuing Disclosure Certificate (the "Disclosure Certificate") is executed and delivered by the City of Columbus, Columbia and Dodge Counties, Wisconsin (the "Issuer") in connection with the issuance of \$5,280,000 Electric and Waterworks System Revenue Bonds, Series 2026A, dated April 23, 2026 (the "Securities"). The Securities are being issued pursuant to a resolution adopted on April 8, 2026 (the "Resolution") and delivered to _____ (the "Purchaser") on the date hereof. Pursuant to the Resolution, the Issuer has covenanted and agreed to provide continuing disclosure of certain financial information and operating data and timely notices of the occurrence of certain events. In addition, the Issuer hereby specifically covenants and agrees as follows:

Section 1(a). Purpose of the Disclosure Certificate. This Disclosure Certificate is being executed and delivered by the Issuer for the benefit of the holders of the Securities in order to assist the Participating Underwriters within the meaning of the Rule (defined herein) in complying with SEC Rule 15c2-12(b)(5). References in this Disclosure Certificate to holders of the Securities shall include the beneficial owners of the Securities. This Disclosure Certificate constitutes the written Undertaking required by the Rule.

Section 1(b). Filing Requirements. Any filing under this Disclosure Certificate must be made solely by transmitting such filing to the MSRB (defined herein) through the Electronic Municipal Market Access ("EMMA") System at www.emma.msrb.org in the format prescribed by the MSRB. All documents provided to the MSRB shall be accompanied by the identifying information prescribed by the MSRB.

Section 2. Definitions. In addition to the defined terms set forth in the Resolution, which apply to any capitalized term used in this Disclosure Certificate unless otherwise defined in this Section, the following capitalized terms shall have the following meanings:

"Annual Report" means any annual report provided by the Issuer pursuant to, and as described in, Sections 3 and 4 of this Disclosure Certificate.

"Audited Financial Statements" means the Issuer's annual financial statements, which are currently prepared in accordance with generally accepted accounting principles (GAAP) for governmental units as prescribed by the Governmental Accounting Standards Board (GASB) and which the Issuer intends to continue to prepare in substantially the same form.

"Final Official Statement" means the Final Official Statement dated April 8, 2026 delivered in connection with the Securities, which is available from the MSRB.

"Financial Obligation" means a (i) debt obligation; (ii) derivative instrument entered into in connection with, or pledged as security or a source of payment for, an existing or planned debt obligation; or (iii) guarantee of (i) or (ii). The term Financial Obligation shall not include municipal securities as to which a final official statement has been provided to the MSRB consistent with the Rule.

"Fiscal Year" means the fiscal year of the Issuer.

"Governing Body" means the Common Council of the Issuer or such other body as may hereafter be the chief legislative body of the Issuer.

"Issuer" means the City of Columbus, Columbia and Dodge Counties, Wisconsin, which is the obligated person with respect to the Securities.

"Issuer Contact" means the City Clerk of the Issuer who can be contacted at 105 North Dickason Boulevard, Columbus, Wisconsin 53925, phone (920) 623-5900, fax (920) 623-5901.

"Listed Event" means any of the events listed in Section 5(a) of this Disclosure Certificate.

"MSRB" means the Municipal Securities Rulemaking Board.

"Participating Underwriter" means any of the original underwriter(s) of the Securities (including the Purchaser) required to comply with the Rule in connection with the offering of the Securities.

"Rule" means SEC Rule 15c2-12(b)(5) promulgated by the SEC under the Securities Exchange Act of 1934, as the same may be amended from time to time, and official interpretations thereof.

"SEC" means the Securities and Exchange Commission.

Section 3. Provision of Annual Report and Audited Financial Statements.

(a) The Issuer shall, not later than 365 days after the end of the Fiscal Year, commencing with the year ending December 31, 2025, provide the MSRB with an Annual Report filed in accordance with Section 1(b) of this Disclosure Certificate and which is consistent with the requirements of Section 4 of this Disclosure Certificate. The Annual Report may be submitted as a single document or as separate documents comprising a package, and may cross-reference other information as provided in Section 4 of this Disclosure Certificate; provided that the Audited Financial Statements of the Issuer may be submitted separately from the balance of the Annual Report and that, if Audited Financial Statements are not available within 365 days after the end of the Fiscal Year, unaudited financial information will be provided, and Audited Financial Statements will be submitted to the MSRB when and if available.

(b) If the Issuer is unable or fails to provide to the MSRB an Annual Report by the date required in subsection (a), the Issuer shall send in a timely manner a notice of that fact to the MSRB in the format prescribed by the MSRB, as described in Section 1(b) of this Disclosure Certificate.

Section 4. Content of Annual Report. The Issuer's Annual Report shall contain or incorporate by reference the Audited Financial Statements and updates of the following sections of the Final Official Statement to the extent such financial information and operating data are not included in the Audited Financial Statements:

1. DEBT - Direct Debt
2. DEBT - Debt Limit
3. VALUATIONS - Current Property Valuations
4. THE BONDS - Description of the Electric System
5. THE BONDS - Description of the Waterworks System

Any or all of the items listed above may be incorporated by reference from other documents, including official statements of debt issues of the Issuer or related public entities, which are available to the public on the MSRB's Internet website or filed with the SEC. The Issuer shall clearly identify each such other document so incorporated by reference.

Section 5. Reporting of Listed Events.

(a) This Section 5 shall govern the giving of notices of the occurrence of any of the following events with respect to the Securities:

1. Principal and interest payment delinquencies;
2. Non-payment related defaults, if material;
3. Unscheduled draws on debt service reserves reflecting financial difficulties;
4. Unscheduled draws on credit enhancements reflecting financial difficulties;
5. Substitution of credit or liquidity providers, or their failure to perform;
6. Adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax status of the Securities, or other material events affecting the tax status of the Securities;
7. Modification to rights of holders of the Securities, if material;
8. Securities calls, if material, and tender offers;
9. Defeasances;
10. Release, substitution or sale of property securing repayment of the Securities, if material;
11. Rating changes;

12. Bankruptcy, insolvency, receivership or similar event of the Issuer;
13. The consummation of a merger, consolidation, or acquisition involving the Issuer or the sale of all or substantially all of the assets of the Issuer, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material;
14. Appointment of a successor or additional trustee or the change of name of a trustee, if material;
15. Incurrence of a Financial Obligation of the Issuer, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a Financial Obligation of the Issuer, any of which affect holders of the Securities, if material; and
16. Default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a Financial Obligation of the Issuer, any of which reflect financial difficulties.

For the purposes of the event identified in subsection (a)12. above, the event is considered to occur when any of the following occur: the appointment of a receiver, fiscal agent or similar officer for the Issuer in a proceeding under the U.S. Bankruptcy Code or in any other proceeding under state or federal law in which a court or governmental authority has assumed jurisdiction over substantially all of the assets or business of the Issuer, or if such jurisdiction has been assumed by leaving the existing governing body and officials or officers in possession but subject to the supervision and orders of a court or governmental authority, or the entry of an order confirming a plan of reorganization, arrangement or liquidation by a court or governmental authority having supervision or jurisdiction over substantially all of the assets or business of the Issuer.

(b) When a Listed Event occurs, the Issuer shall, in a timely manner not in excess of ten business days after the occurrence of the Listed Event, file a notice of such occurrence with the MSRB. Notwithstanding the foregoing, notice of Listed Events described in subsections (a) (8) and (9) need not be given under this subsection any earlier than the notice (if any) of the underlying event is given to holders of affected Securities pursuant to the Resolution.

(c) Unless otherwise required by law, the Issuer shall submit the information in the format prescribed by the MSRB, as described in Section 1(b) of this Disclosure Certificate.

Section 6. Termination of Reporting Obligation. The Issuer's obligations under the Resolution and this Disclosure Certificate shall terminate upon the legal defeasance, prior redemption or payment in full of all the Securities.

Section 7. Issuer Contact; Agent. Information may be obtained from the Issuer Contact. Additionally, the Issuer may, from time to time, appoint or engage a dissemination agent to assist it in carrying out its obligations under the Resolution and this Disclosure Certificate, and may discharge any such agent, with or without appointing a successor dissemination agent.

Section 8. Amendment; Waiver. Notwithstanding any other provision of the Resolution or this Disclosure Certificate, the Issuer may amend this Disclosure Certificate, and any provision of this Disclosure Certificate may be waived, if the following conditions are met:

(a)(i) The amendment or waiver is made in connection with a change in circumstances that arises from a change in legal requirements, change in law, or change in the identity, nature, or status of the Issuer, or the type of business conducted; or

(ii) This Disclosure Certificate, as amended or waived, would have complied with the requirements of the Rule at the time of the primary offering, after taking into account any amendments or interpretations of the Rule, as well as any change in circumstances; and

(b) The amendment or waiver does not materially impair the interests of beneficial owners of the Securities, as determined and certified to the Issuer by an underwriter, financial advisor, bond counsel or trustee.

In the event this Disclosure Certificate is amended for any reason other than to cure any ambiguities, inconsistencies, or typographical errors that may be contained herein, the Issuer agrees the next Annual Report it submits after such amendment shall include an explanation of the reasons for the amendment and the impact of the change, if any, on the type of financial statements or operating data being provided.

If the amendment concerns the accounting principles to be followed in preparing financial statements, then the Issuer agrees that it will give an event notice and that the next Annual Report it submits after such amendment will include a comparison between financial statements or information prepared on the basis of the new accounting principles and those prepared on the basis of the former accounting principles.

Section 9. Additional Information. Nothing in this Disclosure Certificate shall be deemed to prevent the Issuer from disseminating any other information, using the means of dissemination set forth in this Disclosure Certificate or any other means of communication, or including any other information in any Annual Report or notice of occurrence of a Listed Event, in addition to that which is required by this Disclosure Certificate. If the Issuer chooses to include any information in any Annual Report or notice of occurrence of a Listed Event in addition to that which is specifically required by this Disclosure Certificate, the Issuer shall have no obligation under this Disclosure Certificate to update such information or include it in any future Annual Report or notice of occurrence of a Listed Event.

Section 10. Default. (a) Except as described in the Final Official Statement, in the previous five years, the Issuer has not failed to comply in all material respects with any previous undertakings under the Rule to provide annual reports or notices of events.

(b) In the event of a failure of the Issuer to comply with any provision of this Disclosure Certificate any holder of the Securities may take such actions as may be necessary and appropriate, including seeking mandate or specific performance by court order, to cause the Issuer to comply with its obligations under the Resolution and this Disclosure Certificate. A default under this Disclosure Certificate shall not be deemed an event of default with respect to the Securities and the sole remedy under this Disclosure Certificate in the event of any failure of the Issuer to comply with this Disclosure Certificate shall be an action to compel performance.

Section 11. Beneficiaries. This Disclosure Certificate shall inure solely to the benefit of the Issuer, the Participating Underwriters and holders from time to time of the Securities, and shall create no rights in any other person or entity.

IN WITNESS WHEREOF, we have executed this Certificate in our official capacities effective the 23rd day of April, 2026.

(SEAL)

Joe Hammer
Mayor

Susan L. Caine
City Clerk

FORM OF AUTHORIZING RESOLUTION

(See following pages)

RESOLUTION NO. _____

RESOLUTION AUTHORIZING THE ISSUANCE AND SALE OF
\$5,280,000 ELECTRIC AND WATERWORKS SYSTEM REVENUE BONDS, SERIES 2026A

WHEREAS, the City of Columbus, Columbia County, Wisconsin (the "City") owns and operates an Electric System and a Waterworks System which are operated for public purposes as separate public utilities by the City and which are hereby combined for the purposes of this financing (hereinafter, the City's Electric System and Waterworks System shall be referred to collectively as the "System"); and

WHEREAS, under the provisions of Section 66.0621, Wisconsin Statutes, any municipality in the State of Wisconsin may, by action of its governing body, provide funds for extending, adding to and improving a public utility from the proceeds of bonds, which bonds are payable only from the income and revenues derived from any source by such utility and are secured by a pledge of the revenues of the utility; and

WHEREAS, pursuant to a resolution adopted on May 18, 2016 (the "2016 Resolution"), the City has heretofore issued its Electric and Waterworks System Revenue Bonds, Series 2016A, dated June 8, 2016 (the "2016 Bonds") (the "Prior Bonds"), which bonds are payable from the income and revenues of the System; and

WHEREAS, the 2016 Resolution permits the issuance of additional bonds payable from revenues of the System on a parity with the Prior Bonds upon compliance with certain conditions; and

WHEREAS, to the best of the Common Council's knowledge, information and belief, the City complies with such conditions; and

WHEREAS, the City has determined that certain additions, improvements and extensions to the System (the "Project") are necessary to adequately supply the needs of the City and the residents thereof; and

WHEREAS, it is necessary, desirable and in the best interests of the City to authorize and sell revenue bonds (the "Bonds") for such purpose payable solely from the Revenues of the System, which bonds are to be authorized and issued pursuant to the provisions of Section 66.0621, Wisconsin Statutes on a parity with the Prior Bonds; and

WHEREAS, other than the Prior Bonds, the City has no bonds or obligations outstanding which are payable from the Revenues of the System; and

WHEREAS, the City has directed Ehlers & Associates, Inc. ("Ehlers") to take the steps necessary to sell the Bonds; and

WHEREAS, Ehlers, in consultation with the officials of the City, prepared a Notice of Sale (a copy of which is attached hereto as Exhibit A and incorporated herein by this reference) setting forth the details of and the bid requirements for the Bonds and indicating that the Bonds would be offered for public sale on April 8, 2026; and

WHEREAS, the City Clerk (in consultation with Ehlers) caused a form of notice of the sale to be published and/or announced and caused the Notice of Sale to be distributed to potential bidders offering the Bonds for public sale on April 8, 2026; and

WHEREAS, the City has duly received bids for the Bonds as described on the Bid Tabulation attached hereto as Exhibit B and incorporated herein by this reference (the "Bid Tabulation"); and

WHEREAS, it has been determined that the bid proposal (the "Proposal") submitted by the financial institution listed first on the Bid Tabulation fully complies with the bid requirements set forth in the Notice of Sale and is deemed to be the most advantageous to the City. Ehlers has recommended that the City accept the Proposal. A copy of said Proposal submitted by such institution (the "Purchaser") is attached hereto as Exhibit C and incorporated herein by this reference.

NOW, THEREFORE, the Common Council of the City of Columbus, Columbia County, Wisconsin, do resolve that:

Section 1A. Ratification of the Notice of Sale and Offering Materials. The Common Council of the City hereby ratifies and approves the details of the Bonds set forth in Exhibit A attached hereto as and for the details of the Bonds. The Notice of Sale and any other offering materials prepared and circulated by Ehlers are hereby ratified and approved in all respects. All actions taken by officers of the City and Ehlers in connection with the preparation and distribution of the Notice of Sale, and any other offering materials are hereby ratified and approved in all respects.

Section 1B. Authorization of Bonds. For the purpose of paying the cost of the Project, the City shall borrow on the credit of the Revenue of the System the sum of \$5,280,000. Negotiable, fully-registered bonds of the City, in the denomination of \$5,000, or any whole multiple thereof, shall be issued in evidence thereof. The Bonds shall be designated "Electric and Waterworks System Revenue Bonds, Series 2026A", shall be numbered from R-1 upward and shall be dated April 23, 2026. The Bonds shall bear interest at the rates per annum set forth in the Proposal and shall mature on May 1 of each year, in the years and principal amounts as set forth on the Pricing Summary attached hereto as Exhibit D-1 and incorporated herein by this reference.

Interest on the Bonds shall be payable semi-annually on May 1 and November 1 of each year, commencing May 1, 2027. Interest shall be computed upon the basis of a 360-day year of twelve 30-day months and will be rounded pursuant to the rules of the Municipal Securities Rulemaking Board.

The schedule of principal and interest payments due on the Bonds is set forth on the Debt Service Schedule attached hereto as Exhibit D-2 and incorporated herein by this reference (the "Schedule").

The Bonds maturing on May 1, 2035 and thereafter shall be subject to redemption prior to maturity, at the option of the City, on May 1, 2034 or on any date thereafter. Said Bonds shall be redeemable as a whole or in part, and if in part, from maturities selected by the City and within each maturity, by lot, at the principal amount thereof, plus accrued interest to the date of redemption. If the Proposal specifies that any of the Bonds are subject to mandatory redemption, the terms of such mandatory redemption are set forth on an attachment hereto as Exhibit MRP and incorporated herein by this reference. Upon the optional redemption of any of the Bonds subject to mandatory redemption, the principal amount of such Bonds so redeemed shall be credited against the mandatory redemption payments established in Exhibit MRP for such Bonds in such manner as the City shall direct.

The schedule of maturities is found to be such that the amount of annual debt service payments is reasonable in accordance with prudent municipal utility practices.

Section 1C. Security for the Bonds. The Bonds, together with interest thereon, shall not constitute an indebtedness of the City nor a charge against its general credit or taxing power. The Bonds, together with interest thereon, shall be payable only out of the Special Redemption Fund provided for in Section 4 herein, and shall be a valid claim of the registered owner or owners thereof only against the Special Redemption Fund and the Revenues of the System pledged to such fund, on a parity with the pledge granted to the owners of the Prior Bonds. Sufficient Revenues are hereby pledged to said Special Redemption Fund, and shall be used for no other purpose than to pay the principal of, premium, if any, and interest on the Prior Bonds and the Bonds as the same becomes due.

Section 2. Form of the Bonds. The Bonds shall be issued in registered form and shall be executed and delivered in substantially the form attached hereto as Exhibit E and incorporated herein by this reference.

Section 3. Definitions. In addition to the words defined elsewhere in this Resolution, the following words shall have the following meanings unless the context or use indicates another or different meaning or intent:

"Annual Debt Service Requirement" means the total amount of principal and interest due in any Fiscal Year on the Prior Bonds, the Bonds and Parity Bonds.

"Bond Year" means the one-year period ending on a principal payment date or mandatory redemption date for the Bonds.

"Bulk Power Supply Engineer" means a nationally recognized engineer, or firm of engineers selected by the City and which has skill and expertise in the field of bulk power supply planning.

"Code" means the Internal Revenue Code of 1986, as amended.

"Credit Obligation" means any obligation of the City under a contract, lease, installment sales agreement or other instrument, including but not limited to any contract entered into with a municipal electric company pursuant to Section 66.0825(8), Wisconsin Statutes, to make payments for property, services or commodities for the benefit or use of the electric utility portion of the System whether or not the same are made available, furnished or received, or any other obligation of the City, under which the City lends credit to or guarantees debts, claims or other obligations of any other person or entity for the purpose of obtaining property, services or commodities for the electric utility portion of the System or for the purpose of financing the initial costs of any project of any other person or entity from which property, services or commodities are intended to be obtained for the benefit or use of the electric utility portion of the System but only to the extent such obligation requires payment directly or indirectly from a designated fund or account provided for under this Resolution.

"DTC" means The Depository Trust Company, New York, New York, or any successor securities depository for the City with respect to the Bonds.

"Fiscal Year" means the fiscal year adopted by the City for the System, which is currently the calendar year.

"Net Revenues" means the Revenues minus all Operation and Maintenance Expenses of the System.

"Operation and Maintenance Expenses" means the reasonable and necessary costs of operating, maintaining, administering and repairing the System, including salaries, wages, costs of materials and supplies, insurance and audits, but excluding depreciation, debt service, tax equivalents and capital expenditures. In the case of the electric utility portion of the System, Operation and Maintenance Expenses shall include, without intent to limit the foregoing, all costs of purchasing, producing and delivering electric power and energy and specifically fuel costs, costs of transmission service, reserve service, interchange service, and all other costs of purchased power, including obligations under the Power Supply Contract between the City and WPPI, and all payments required by Credit Obligations.

"Parity Bonds" means additional bonds or obligations issued on a parity as to pledge and lien with the Bonds in accordance with the provisions of Section 7 of this Resolution.

"Power Supply Contract" means the Long Term Power Supply Contract for Participating Members between the City and WPPI entered into under Section 66.0825(8), Wisconsin Statutes.

"Reserve Requirement" means an amount, determined as of the date of issuance of the Bonds, equal to the least of (a) the amount required to be on deposit in the Reserve Account prior to the issuance of the Bonds, plus the amount permitted to be deposited therein from proceeds of the Bonds pursuant to Section 148(d)(1) of the Code and Regulations; (b) the maximum annual debt service on the Prior Bonds and the Bonds in any Bond Year; and (c) 125% of average annual debt service on the Prior Bonds and the Bonds; provided, however, after the 2016 Bonds are no longer outstanding, that on an ongoing basis the Reserve Requirement shall never exceed the remaining maximum annual principal and interest due on the outstanding obligations secured

by the Reserve Account in any Bond Year. If Parity Bonds which are to be secured by the Reserve Account are issued, the Reserve Requirement shall mean an amount, determined as of the date of issuance of the Parity Bonds, equal to the least of (a) the amount required to be on deposit in the Reserve Account prior to the issuance of such Parity Bonds, plus the amount permitted to be deposited therein from proceeds of the Parity Bonds pursuant to Section 148(d)(1) of the Code and Regulations; (b) the maximum annual debt service on outstanding obligations secured by the Reserve Account and the Parity Bonds to be issued in any Bond Year; and (c) 125% of average annual debt service on the outstanding obligations secured by the Reserve Account and the Parity Bonds to be issued; provided, however, after the 2016 Bonds are no longer outstanding, that on an ongoing basis the Reserve Requirement shall never exceed the remaining maximum annual principal and interest due on the outstanding obligations secured by the Reserve Account and Parity Bonds in any Bond Year.

"Regulations" means the Regulations of the Commissioner of Internal Revenue under the Code.

"Revenues" means all income and revenue derived from operation of the System, including those appropriated by the Common Council of the City for services rendered to it and all moneys received from any other source, including income derived from investments.

"System" means the entire Electric System and Waterworks System of the City including all property of every nature now or hereafter owned by the City for the generation, transmission, metering and distribution of electric power and energy and the extraction, collection, storage, treatment, transmission, distribution, metering and discharge of industrial and potable public water, including all improvements and extensions thereto made by the City while any of the Bonds and Parity Bonds remain outstanding, including all real and personal property of every nature comprising part of or used or useful in connection with such Electric System and Waterworks System and including all appurtenances, contracts, leases, franchises and other intangibles.

"WPPI" means WPPI Energy, a municipal electric company organized under Section 66.0825, Wisconsin Statutes.

Section 4. Income and Revenue Funds. When the Bonds shall have been delivered in whole or in part, the Revenues shall be set aside into the following separate and special funds in the order of priority listed below, which were created and established by a Resolution adopted on October 17, 1995 (the "1995 Resolution") and are hereby further continued and shall be used and applied as described below:

- Revenues in amounts sufficient to provide for the reasonable and proper operation and maintenance of the System through the payment of Operation and Maintenance Expenses shall be set aside into the Electric and Waterworks System Operation and Maintenance Fund (the "Operation and Maintenance Fund").

- Revenues in amounts sufficient to pay the principal of and interest on the Prior Bonds, the Bonds and Parity Bonds and to meet the Reserve Requirement shall be set aside into the

Electric and Waterworks System Revenue Bond and Interest Special Redemption Fund (the "Special Redemption Fund"), to be applied to the payment of the principal of and interest on the Prior Bonds, the Bonds and Parity Bonds and to meet the Reserve Requirement. The monies standing in the Special Redemption Fund are irrevocably pledged to the payment of principal of and interest on the Prior Bonds, the Bonds and Parity Bonds.

- Revenues in amounts sufficient to provide a proper and adequate depreciation account for the System shall be set aside into the Electric and Waterworks System Depreciation Fund (the "Depreciation Fund").

The Operation and Maintenance Fund and Depreciation Fund shall be deposited as received in public depositories to be selected by the Common Council in the manner required by Chapter 34, Wisconsin Statutes and may be invested in legal investments subject to the provisions of Section 66.0603(1m), Wisconsin Statutes.

Money in the Operation and Maintenance Fund shall be used to pay Operation and Maintenance Expenses as the same come due; money not immediately required for Operation and Maintenance Expenses shall be used to accumulate a reserve in the Operation and Maintenance Fund equal to estimated Operation and Maintenance Expenses for one month. Any money then available and remaining in the Operation and Maintenance Fund may be transferred to the Surplus Fund, which fund is hereby continued.

Revenues shall be deposited in the Depreciation Fund each month until such amount as the Common Council may from time to time determine to constitute an adequate and reasonable depreciation account for the System (the "Depreciation Requirement") is accumulated therein. Money in the Depreciation Fund shall be available and shall be used, whenever necessary, to restore any deficiency in the Special Redemption Fund and for the maintenance of the Reserve Account therein. When the Special Redemption Fund is sufficient for its purpose, funds in the Depreciation Fund may be expended for repairs, replacements, new construction, extensions or additions to the System. Any money on deposit in the Depreciation Fund in excess of the Depreciation Requirement which is not required during the current Fiscal Year for the purposes of the Depreciation Fund, may be transferred to the Surplus Fund.

It is the express intent and determination of the Common Council that the amount of Revenues to be set aside and paid into the Special Redemption Fund (including the Reserve Account) shall in any event be sufficient to pay principal of and interest on the Prior Bonds, the Bonds and Parity Bonds and to meet the Reserve Requirement, and the City Treasurer shall each Fiscal Year deposit at least sufficient Revenues in the Special Redemption Fund to pay promptly all principal and interest falling due on the Prior Bonds, the Bonds and Parity Bonds and to meet the Reserve Requirement.

The Revenues so set aside for payment of the principal of and interest on the Prior Bonds, the Bonds and Parity Bonds shall be set apart and shall be paid into the Special Redemption Fund not later than the 10th day of each month. The amount deposited each month shall be not less than one-sixth of the interest next coming due, plus one-twelfth of the principal next maturing.

The minimum amounts to be so deposited for debt service on the Bonds, in addition to all amounts to be deposited to pay debt service on the Prior Bonds, are set forth on the Schedule.

The Special Redemption Fund shall be used for no purpose other than the payment of interest upon and principal of the Prior Bonds, the Bonds and Parity Bonds promptly as the same become due and payable or to pay redemption premiums. All money in the Special Redemption Fund shall be deposited in a special account and invested in legal investments subject to Section 66.0603(1m), Wisconsin Statutes, and the monthly payments required to be made to the Special Redemption Fund shall be made directly to such account.

The Reserve Account established by the 1995 Resolution shall be continued to additionally secure the payment of principal of and interest on the Prior Bonds and the Bonds. The City covenants and agrees that upon the issuance of the Bonds an amount sufficient to make the amount on deposit in the Reserve Account equal to the Reserve Requirement shall be deposited into the Reserve Account and shall be maintained therein.

The City covenants and agrees that at any time that the Reserve Account is drawn on and the amount in the Reserve Account shall be less than the Reserve Requirement, an amount equal to one-twelfth of the Reserve Requirement will be paid monthly into the Reserve Account from those funds in the Special Redemption Fund, the Operation and Maintenance Fund, the Depreciation Fund and the Surplus Fund which are in excess of the minimum amounts required by the preceding paragraphs to be paid therein until the Reserve Requirement will again have accumulated in the Reserve Account. No such payments need be made into the Reserve Account at such times as the monies in the Reserve Account are equal to the highest remaining annual debt service requirement on the Prior Bonds, the Bonds and Parity Bonds secured by the Reserve Account in any Bond Year. If at any time the amount on deposit in the Reserve Account exceeds the Reserve Requirement, the excess shall be transferred to the Special Redemption Fund and used to pay principal and interest on the Bonds. If for any reason there shall be insufficient funds on hand in the Special Redemption Fund to meet principal or interest becoming due on the Prior Bonds, the Bonds or Parity Bonds secured by the Reserve Account, then all sums then held in the Reserve Account shall be used to pay the portion of interest or principal on such Prior Bonds, Bonds or Parity Bonds becoming due as to which there would otherwise be default, and thereupon the payments required by this paragraph shall again be made into the Reserve Account until an amount equal to the Reserve Requirement is on deposit in the Reserve Account.

Funds in the Special Redemption Fund in excess of the minimum amounts required to be paid therein plus reserve requirements may be transferred to the Surplus Fund.

Money in the Surplus Fund shall first be used when necessary to meet requirements of the Operation and Maintenance Fund including the one month reserve, the Special Redemption Fund including the Reserve Account, and the Depreciation Fund. Any money then remaining in the Surplus Fund at the end of any Fiscal Year may be used only as permitted and in the order specified in Section 66.0811(2), Wisconsin Statutes. Money thereafter remaining in the Surplus Fund may be transferred to any of the funds or accounts created by this section.

Section 5. Service to the City. The reasonable cost and value of any service rendered to the City by the System by furnishing electric and waterworks services for public purposes, including reasonable health protection charges, shall be charged against the City and shall be paid by it in monthly installments as the service accrues, out of the current revenues of the City collected or in the process of collection, exclusive of the Revenues, and out of the tax levy of the City made by it to raise money to meet its necessary current expenses. It is hereby found and determined that the reasonable cost and value of such service to the City in each year shall be in an amount which, together with Revenues of the System, will produce Net Revenues equivalent to not less than 1.25 times the Annual Debt Service Requirement. Such compensation for such service rendered to the City shall, in the manner provided hereinabove, be paid into the separate and special funds described in Section 4 of this Resolution. However, such payment is subject to (a) annual appropriations by the Common Council therefor, (b) approval of the Wisconsin Public Service Commission, or successors to its function, if necessary, and (c) applicable levy limits, if any; and neither this Resolution nor such payment shall be construed as constituting an obligation of the City to make any such appropriation over and above the reasonable cost and value of services rendered to the City and its inhabitants or to make any subsequent payment over and above such reasonable cost and value.

Section 6. Operation of System; City Covenants. It is covenanted and agreed by the City with the owner or owners of the Bonds, and each of them, that:

(a) The City will faithfully and punctually perform all duties with reference to the System required by the Constitution and Statutes of the State of Wisconsin, including the making and collecting of reasonable and sufficient rates lawfully established for services rendered by the System, and will collect and segregate the Revenues of the System and apply them to the respective funds and accounts described hereinabove;

(b) The City will not sell, lease, or in any manner dispose of the System, including any part thereof or any additions, extensions, or improvements that may be made part thereto, except that the City shall have the right to sell, lease or otherwise dispose of any property of the System found by the Common Council to be neither necessary nor useful in the operation of the System, provided the proceeds received from such sale, lease or disposal shall be paid into the Special Redemption Fund or applied to the acquisition or construction of capital facilities for use in the normal operation of the System, and such payment shall not reduce the amounts otherwise required to be paid into the Special Redemption Fund;

(c) The City will cause the Project to be completed as expeditiously as reasonably possible;

(d) The City will pay or cause to be paid all lawful taxes, assessments, governmental charges, and claims for labor, materials or supplies which if unpaid could become a lien upon the System or its Revenues or could impair the security of the Bonds;

(e) The City will maintain in reasonably good condition and operate the System, and will establish, charge and collect such lawfully established rates and charges for the service rendered by the System, so that in each Fiscal Year Net Revenues shall not be less than 125% of

the Annual Debt Service Requirement, and so that the Revenues of the System herein agreed to be set aside to provide for the payment of the Prior Bonds, the Bonds and Parity Bonds and the interest thereon as the same becomes due and payable, and to meet the Reserve Requirement, will be sufficient for those purposes;

(f) The City will prepare a budget not less than sixty days prior to the end of each Fiscal Year and, in the event such budget indicates that the Net Revenues for each Fiscal Year will not exceed the Annual Debt Service Requirement for each corresponding Fiscal Year by the proportion stated hereunder, will take any and all steps permitted by law to increase rates so that the aforementioned proportion of Net Revenues to the Annual Debt Service Requirement shall be accomplished as promptly as possible;

(g) The City will keep proper books and accounts relative to the System separate from all other records of the City and will cause such books and accounts to be audited annually by a recognized independent firm of certified public accountants including a balance sheet and a profit and loss statement of the System as certified by such accountants. Each such audit, in addition to whatever matters may be thought proper by the accountants to be included therein shall include the following: (1) a statement in detail of the income and expenditures of the System for the Fiscal Year; (2) a statement of the Net Revenues of the System for such Fiscal Year; (3) a balance sheet as of the end of such Fiscal Year; (4) the accountants' comment regarding the manner in which the City has carried out the requirements of this Resolution and the accountants' recommendations for any changes or improvements in the operation of the System; (5) the number of connections to the System at the end of the Fiscal Year, for each user classification (i.e., residential, commercial, public and industrial); (6) a list of the insurance policies in force at the end of the Fiscal Year setting out as to each policy the amount of the policy, the risks covered, the name of the insurer, and the expiration date of the policy; and (7) the volume of water used as the basis for computing the service charge; and

(h) So long as any of the Bonds are outstanding the City will carry for the benefit of the owners of the Bonds insurance of the kinds and in the amounts normally carried by private companies or other public bodies engaged in the operation of similar systems. All money received for loss of use and occupancy shall be considered Revenue of the System payable into the separate funds and accounts named in Section 4 of this Resolution. All money received for losses under any casualty policies shall be used in repairing the damage or in replacing the property destroyed provided that if the Common Council shall find it is inadvisable to repair such damage or replace such property and that the operation of the System has not been impaired thereby, such money shall be deposited in the Special Redemption Fund, but in that event such payments shall not reduce the amounts otherwise required to be paid into the Special Redemption Fund.

Section 7. Additional Bonds. The Bonds are issued on a parity with the Prior Bonds. No bonds or obligations payable out of the Revenues of the System may be issued in such manner as to enjoy priority over the Bonds. Additional obligations may be issued if their lien and pledge is junior and subordinate to that of the Bonds. Additional obligations may be issued on a parity with the Bonds as to the pledge of Revenues of the System ("Parity Bonds") only if all of the following conditions are met:

(a) (i) The Net Revenues for the last completed Fiscal Year preceding the issuance of such additional obligations must have been at least equal to one and one-quarter (1.25) times the average combined annual interest and principal requirements on all Bonds and any Parity Bonds then outstanding payable from the Revenues of the System (other than Bonds and any Parity Bonds being refunded), and the obligations so proposed to be issued, for any succeeding Fiscal Year in which there shall be a principal maturity on such outstanding bonds; provided, however, that if prior to the authorization of such additional obligations the City shall have adopted and put into effect a revised schedule of rates, then the Net Revenues of the System for the last completed Fiscal Year which would, as calculated by an independent consulting engineer, independent certified public accountant, registered municipal advisor or the Wisconsin Public Service Commission employed for that purpose, have resulted from such rates had they been in effect for such period may be used in lieu of the actual Net Revenues for the last completed Fiscal Year; or

(ii) An independent certified public accountant, registered municipal advisor or consulting professional engineer provides a calculation setting forth for each of the three Fiscal Years commencing with the Fiscal Year following that in which the projects financed by such additional obligations are to be completed, the projected Net Revenues and the maximum annual interest and principal requirements on all bonds outstanding payable from the Revenues of the System and on the obligations then to be issued (the "Maximum Annual Debt Service Requirement"); and demonstrating that for each such Fiscal Year the projected Net Revenues will be in an amount not less than 125% of such Maximum Annual Debt Service Requirement;

b. The payments required to be made into the funds and accounts enumerated in Section 4 of this Resolution (including the Reserve Account, but not the Surplus Fund) must have been made in full.

c. The Parity Bonds must have principal maturing on May 1 of each year in which principal falls due and interest falling due on May 1 and November 1 of each year.

d. If the Parity Bonds are to be secured by the Reserve Account, the amount on deposit in the Reserve Account must be increased to an amount equal to the Reserve Requirement applicable upon the issuance of Parity Bonds as defined in Section 3 of this Resolution.

e. The proceeds of the Parity Bonds must be used only for the purpose of providing additions, extensions or improvements to the System, or to refund obligations issued for such purpose.

Section 8. Sale of Bonds. The bid of the Purchaser for the purchase price set forth in the Proposal be and it hereby is accepted and the Mayor and City Clerk are authorized and directed to execute an acceptance of the offer of said successful bidder on behalf of the City. The good faith deposit of the Purchaser shall be applied as provided for in the Notice of Sale, and any good faith deposits submitted by unsuccessful bidders shall be promptly returned. The officers of the

City are authorized and directed to do any and all acts necessary to conclude delivery of the Bonds to the Purchaser, upon receipt of the purchase price, as soon after adoption of this Resolution as is convenient.

Section 9. Credit Obligations.

(a) To the extent permitted by law, the City may undertake any Credit Obligation which directly or indirectly requires payments from the Operation and Maintenance Fund, but only if it shall first obtain an opinion of a Bulk Power Supply Engineer to the effect that: (i) the property, services or commodities to be furnished pursuant to such Credit Obligation may be used beneficially by the City to meet the power and energy requirements of the electric utility portion of the System; and (ii) the obtaining of such property, services or commodities is technically and economically justifiable in accordance with prudent municipal utility management practice.

(b) To the extent permitted by law, the City may undertake any Credit Obligation that directly or indirectly requires payments from the Surplus Fund, subject to any prior use of such monies for the benefit of the Bonds pursuant to Section 4 of this Resolution without meeting the requirements of subsection (a).

(c) The Bulk Power Supply Engineer may, in making all estimates required to be made or necessary to render any opinion required under this Section, rely upon estimates supplied by other engineers or information supplied by other persons, including an authorized representative of the City, who the Bulk Power Supply Engineer believes to be qualified and to have access to the necessary information to make such estimates and to provide such information.

Section 10. Application of Bond Proceeds. All accrued interest received from the sale of the Bonds shall be deposited into the Special Redemption Fund. An amount of proceeds of the Bonds sufficient to make the amount currently on deposit in the Reserve Account equal to the Reserve Requirement shall be deposited in the Reserve Account. The balance of the proceeds, less the expenses incurred in authorizing, issuing and delivering the Bonds, shall be deposited in a special fund designated as "Electric and Waterworks System Improvement Fund." Said special fund shall be adequately secured and used solely for the purpose of meeting costs of extending, adding to and improving the System, as described in the preamble hereof. The balance remaining in said Improvement Fund after paying said costs shall be transferred to the Special Redemption Fund for use in payment of principal of and interest on the Bonds.

Section 11. Amendment to Resolution. After the issuance of any of the Bonds, no change or alteration of any kind in the provisions of this Resolution may be made until all of the Bonds have been paid in full as to both principal and interest, or discharged as herein provided, except:

a. The City may, from time to time, amend this Resolution without the consent of any of the owners of the Bonds, but only to cure any ambiguity, administrative conflict, formal defect, or omission or procedural inconsistency of this Resolution; and

b. This Resolution may be amended, in any respect, with the written consent of the owners of not less than two-thirds of the principal amount of the Bonds then outstanding, exclusive of Bonds held by the City; provided, however, that no amendment shall permit any change in the pledge of Revenues, or in the maturity of any Bond issued hereunder, or a reduction in the rate of interest on any Bond, or in the amount of the principal obligation thereof, or in the amount of the redemption premium payable in the case of redemption thereof, or change the terms upon which the Bonds may be redeemed or make any other modification in the terms of the payment of such principal or interest without the written consent of the owner of each such Bond to which the change is applicable.

Section 12. Defeasance. When all Bonds have been discharged, all pledges, liens, covenants and other rights granted to the owners thereof by this Resolution shall cease. The City may discharge all Bonds due on any date by depositing into a special account on or before that date a sum sufficient to pay the same in full; or if any Bonds should not be paid when due, it may nevertheless be discharged by depositing into a special account a sum sufficient to pay it in full with interest accrued from the due date to the date of such deposit. The City, at its option, may also discharge all Bonds called for redemption on any date when they are prepayable according to their terms, by depositing into a special account on or before that date a sum sufficient to pay them in full, with the required redemption premium, if any, provided that notice of redemption has been duly given as required by this Resolution. The City, at its option, may also discharge all Bonds of said issue at any time by irrevocably depositing in escrow with a suitable bank or trust company a sum of cash and/or bonds or securities issued or guaranteed as to principal and interest of the U.S. Government, or of a commission, board or other instrumentality of the U.S. Government, maturing on the dates and bearing interest at the rates required to provide funds sufficient to pay when due the interest to accrue on each of said Bonds to its maturity or, at the City's option, if said Bond is prepayable to any prior date upon which it may be called for redemption, and to pay and redeem the principal amount of each such Bond at maturity, or at the City's option, if said Bond is prepayable, at its earliest redemption date, with the premium required for such redemption, if any, provided that notice of the redemption of all prepayable Bonds on such date has been duly given or provided for. Upon such payment or deposit, in the amount and manner provided by this Section, all liability of the City with respect to the Bonds shall cease, terminate and be completely discharged, and the owners thereof shall be entitled only to payment out of the money so deposited.

Section 13. Investments and Arbitrage. Monies accumulated in any of the funds and accounts referred to in Sections 4 and 9 hereof which are not immediately needed for the respective purposes thereof, may be invested in legal investments subject to the provisions of Sec. 66.0603(1m), Wisconsin Statutes, until needed. All income derived from such investments shall be credited to the fund or account from which the investment was made; provided, however, that at any time that the Reserve Requirement is on deposit in the Reserve Account, any income derived from investment of the Reserve Account shall be deposited into the Special Redemption Fund and used to pay principal and interest on the Bonds. A separate banking account is not required for each of the funds and accounts established under this Resolution; however, the monies in each fund or account shall be accounted for separately by the City and used only for the respective purposes thereof. The proceeds of the Bonds shall be used solely for the purposes for which they are issued but may be temporarily invested until needed in legal

investments. No such investment shall be made in such a manner as would cause the Bonds to be "arbitrage bonds" within the meaning of Section 148 of the Code or the Regulations.

An officer of the City, charged with the responsibility for issuing the Bonds, shall, on the basis of the facts, estimates and circumstances in existence on the date of closing, make such certifications as are necessary to permit the conclusion that the Bonds are not "arbitrage bonds" under Section 148 of the Code or the Regulations.

Section 14. Resolution a Contract. The provisions of this Resolution shall constitute a contract between the City and the owner or owners of the Bonds, and after issuance of any of the Bonds no change or alteration of any kind in the provisions of this Resolution may be made, except as provided in Section 10, until all of the Bonds have been paid in full as to both principal and interest. The owner or owners of any of the Bonds shall have the right in addition to all other rights, by mandamus or other suit or action in any court of competent jurisdiction, to enforce such owner's or owners' rights against the City, the governing body thereof, and any and all officers and agents thereof including, but without limitation, the right to require the City, its governing body and any other authorized body, to fix and collect rates and charges fully adequate to carry out all of the provisions and agreements contained in this Resolution.

Section 15. Utilization of The Depository Trust Company Book-Entry-Only System. In order to make the Bonds eligible for the services provided by The Depository Trust Company, New York, New York ("DTC"), the City agrees to the applicable provisions set forth in the Blanket Issuer Letter of Representations which the City Clerk or other authorized representative of the City is authorized and directed to execute and deliver to DTC on behalf of the City to the extent an effective Blanket Letter of Representation is not presently on file in the City Clerk's office.

Section 16. Payment of the Bonds; Fiscal Agent. The principal of and interest on the Bonds shall be paid by Bond Trust Services Corporation, which is hereby appointed as the City's registrar and fiscal agent pursuant to the provisions of Section 67.10(2), Wisconsin Statutes (the "Fiscal Agent"). The City hereby authorizes the Mayor and City Clerk or other appropriate officers of the City to enter a Fiscal Agency Agreement between the City and the Fiscal Agent. Such contract may provide, among other things, for the performance by the Fiscal Agent of the functions listed in Wis. Stats. Sec. 67.10(2)(a) to (j), where applicable, with respect to the Bonds.

Section 17. Persons Treated as Owners; Transfer of Bonds. The City shall cause books for the registration and for the transfer of the Bonds to be kept by the Fiscal Agent. The person in whose name any Bond shall be registered shall be deemed and regarded as the absolute owner thereof for all purposes and payment of either principal or interest on any Bond shall be made only to the registered owner thereof. All such payments shall be valid and effectual to satisfy and discharge the liability upon such Bond to the extent of the sum or sums so paid.

Any Bond may be transferred by the registered owner thereof by surrender of the Bond at the office of the Fiscal Agent, duly endorsed for the transfer or accompanied by an assignment duly executed by the registered owner or his attorney duly authorized in writing. Upon such transfer, the Mayor and City Clerk shall execute and deliver in the name of the transferee or

transferees a new Bond or Bonds of a like aggregate principal amount, series and maturity and the Fiscal Agent shall record the name of each transferee in the registration book. No registration shall be made to bearer. The Fiscal Agent shall cancel any Bond surrendered for transfer.

The City shall cooperate in any such transfer, and the Mayor and City Clerk are authorized to execute any new Bond or Bonds necessary to effect any such transfer.

Section 18. Record Date. The fifteenth day of each calendar month next preceding each interest payment date shall be the record date for the Bonds (the "Record Date"). Payment of interest on the Bonds on any interest payment date shall be made to the registered owners of the Bonds as they appear on the registration book of the City at the close of business on the Record Date.

Section 19. Compliance with Federal Tax Laws. (a) The City represents and covenants that the projects financed by the Bonds and the ownership, management and use of the projects will not cause the Bonds to be "private activity bonds" within the meaning of Section 141 of the Code. The City further covenants that it shall comply with the provisions of the Code to the extent necessary to maintain the tax-exempt status of the interest on the Bonds including, if applicable, the rebate requirements of Section 148(f) of the Code. The City further covenants that it will not take any action, omit to take any action or permit the taking or omission of any action within its control (including, without limitation, making or permitting any use of the proceeds of the Bonds) if taking, permitting or omitting to take such action would cause any of the Bonds to be an arbitrage bond or a private activity bond within the meaning of the Code or would otherwise cause interest on the Bonds to be included in the gross income of the recipients thereof for federal income tax purposes. The City Clerk or other officer of the City charged with the responsibility of issuing the Bonds shall provide an appropriate certificate of the City certifying that the City can and covenanting that it will comply with the provisions of the Code and Regulations.

(b) The City also covenants to use its best efforts to meet the requirements and restrictions of any different or additional federal legislation which may be made applicable to the Bonds provided that in meeting such requirements the City will do so only to the extent consistent with the proceedings authorizing the Bonds and the laws of the State of Wisconsin and to the extent that there is a reasonable period of time in which to comply.

The foregoing covenants shall remain in full force and effect, notwithstanding the defeasance of the Bonds, until the date on which all of the Bonds have been paid in full.

Section 20. Payment of Issuance Expenses. The City authorizes the Purchaser to forward the amount of the proceeds of the Bonds allocable to the payment of issuance expenses to a financial institution selected by Ehlers at Closing for further distribution as directed by Ehlers.

Section 21. Official Statement. The Common Council hereby approves the Preliminary Official Statement with respect to the Bonds and deems the Preliminary Official Statement as

"final" as of its date for purposes of SEC Rule 15c2-12 promulgated by the Securities and Exchange Commission pursuant to the Securities and Exchange Act of 1934 (the "Rule"). All actions taken by officers of the City in connection with the preparation of such Preliminary Official Statement and any addenda to it or Final Official Statement are hereby ratified and approved. In connection with the closing of the Bonds, the appropriate City official shall certify the Preliminary Official Statement and any addenda or Final Official Statement. The City Clerk shall cause copies of the Preliminary Official Statement and any addenda or Final Official Statement to be distributed to the Purchaser.

Section 22. Undertaking to Provide Continuing Disclosure. The City hereby covenants and agrees, for the benefit of the owners of the Bonds, to enter into a written undertaking (the "Undertaking") if required by the Rule to provide continuing disclosure of certain financial information and operating data and timely notices of the occurrence of certain events in accordance with the Rule. The Undertaking shall be enforceable by the owners of the Bonds or by the Purchaser on behalf of such owners (provided that the rights of the owners and the Purchaser to enforce the Undertaking shall be limited to a right to obtain specific performance of the obligations thereunder and any failure by the City to comply with the provisions of the Undertaking shall not be an event of default with respect to the Bonds).

To the extent required under the Rule, the Mayor and City Clerk, or other officer of the City charged with the responsibility for issuing the Bonds, shall provide a Continuing Disclosure Certificate for inclusion in the transcript of proceedings, setting forth the details and terms of the City's Undertaking.

Section 24. Record Book. The City Clerk shall provide and keep the transcript of proceedings as a separate record book (the "Record Book") and shall record a full and correct statement of every step or proceeding had or taken in the course of authorizing and issuing the Bonds in the Record Book.

Section 25. Bond Insurance. If the Purchaser determines to obtain municipal bond insurance with respect to the Bonds, the officers of the City are authorized to take all actions necessary to obtain such municipal bond insurance. The Mayor and City Clerk are authorized to agree to such additional provisions as the bond insurer may reasonably request and which are acceptable to the Mayor and City Clerk including provisions regarding restrictions on investment of Bond proceeds, the payment procedure under the municipal bond insurance policy, the rights of the bond insurer in the event of default and payment of the Bonds by the bond insurer and notices to be given to the bond insurer. In addition, any reference required by the bond insurer to the municipal bond insurance policy shall be made in the form of Bond provided herein.

Section 26. Execution of the Bonds; Closing; Professional Services. The Bonds shall be issued in printed form, executed on behalf of the City by the manual or facsimile signatures of the Mayor and City Clerk, authenticated, if required, by the Fiscal Agent, sealed with its official or corporate seal, if any, or a facsimile thereof, and delivered to the Purchaser upon payment to the City of the purchase price thereof, plus accrued interest to the date of delivery (the "Closing"). The facsimile signature of either of the officers executing the Bonds may be imprinted on the Bonds in lieu of the manual signature of the officer but, unless the City has

contracted with a fiscal agent to authenticate the Bonds, at least one of the signatures appearing on each Bond shall be a manual signature. In the event that either of the officers whose signatures appear on the Bonds shall cease to be such officers before the Closing, such signatures shall, nevertheless, be valid and sufficient for all purposes to the same extent as if they had remained in office until the Closing. The aforesaid officers are hereby authorized and directed to do all acts and execute and deliver the Bonds and all such documents, certificates and acknowledgements as may be necessary and convenient to effectuate the Closing. The City hereby authorizes the officers and agents of the City to enter into, on its behalf, agreements and contracts in conjunction with the Bonds, including but not limited to agreements and contracts for legal, trust, fiscal agency, disclosure and continuing disclosure, and rebate calculation services. Any such contract heretofore entered into in conjunction with the issuance of the Bonds is hereby ratified and approved in all respects.

Section 27. Conflicting Ordinances or Resolutions. All prior ordinances, resolutions (other than the 2016 Resolution), rules, or orders, or parts thereof heretofore enacted, adopted or entered, in conflict with the provisions of this Resolution, are hereby repealed and this Resolution shall be in effect from and after its passage. In case of any conflict between this Resolution and the 2016 Resolution, the 2016 Resolution shall control so long as any of the Prior Bonds are outstanding.

Adopted, approved and recorded April 8, 2026.

Joe Hammer
Mayor

ATTEST:

Susan L. Caine
City Clerk

(SEAL)

NOTICE OF SALE

**\$5,280,000* ELECTRIC AND WATERWORKS SYSTEM REVENUE BONDS, SERIES 2026A
CITY OF COLUMBUS, WISCONSIN**

Bids for the purchase of \$5,280,000* Electric and Waterworks System Revenue Bonds, Series 2026A (the "Bonds") of the City of Columbus, Wisconsin (the "City") will be received at the offices of Ehlers and Associates, Inc. ("Ehlers"), 3001 Broadway Street, Suite 320, Minneapolis, Minnesota 55413, municipal advisors to the City, until 09:30 A.M., Central Time, and **ELECTRONIC PROPOSALS** will be received via **PARITY**, in the manner described below, until 09:30 A.M., Central Time, on April 8, 2026, at which time they will be opened, read and tabulated. The bids will be presented to the Common Council for consideration for award by resolution at a meeting to be held at 6:30 P.M., Central Time, on the same date. The bid offering to purchase the Bonds upon the terms specified herein and most favorable to the City will be accepted unless all bids are rejected.

AUTHORITY; PURPOSE; SECURITY

The Bonds are being issued pursuant to Section 66.0621, Wisconsin Statutes, by the City, to provide funds for the public purpose of financing improvements and extensions to the City's Electric System and Waterworks System (collectively, the "Utility System"). The Bonds are not general obligations of the City but are payable only from and secured by a pledge of income and revenue to be derived from the operation of the Utility System. The Bonds are being issued on a parity with the City's outstanding Electric and Waterworks System Revenue Bonds, Series 2016A, dated June 8, 2016.

DATES AND MATURITIES

The Bonds will be dated April 23, 2026, will be issued as fully registered Bonds in the denomination of \$5,000 each, or any integral multiple thereof, and will mature on May 1 as follows:

<u>Year</u>	<u>Amount*</u>	<u>Year</u>	<u>Amount*</u>	<u>Year</u>	<u>Amount*</u>
2027	\$85,000	2034	\$250,000	2041	\$300,000
2028	205,000	2035	255,000	2042	310,000
2029	210,000	2036	265,000	2043	325,000
2030	215,000	2037	255,000	2044	340,000
2031	225,000	2038	265,000	2045	360,000
2032	235,000	2039	275,000	2046	375,000
2033	245,000	2040	285,000		

ADJUSTMENT OPTION

The City reserves the right to increase or decrease the principal amount of the Bonds on the day of sale, in increments of \$5,000 each. Increases or decreases may be made in any maturity. If any principal amounts are adjusted, the purchase price proposed will be adjusted to maintain the same gross spread per \$1,000.

TERM BOND OPTION

Bids for the Bonds may contain a maturity schedule providing for any combination of serial bonds and term bonds, subject to mandatory redemption, so long as the amount of principal maturing or subject to mandatory redemption in each year conforms to the maturity schedule set forth above. All dates are inclusive.

INTEREST PAYMENT DATES AND RATES

Interest will be payable on May 1 and November 1 of each year, commencing May 1, 2027, to the registered owners of the Bonds appearing of record in the bond register as of the close of business on the 15th day (whether or not a business day) of the immediately preceding month. Interest will be computed upon the basis of a 360-day year of twelve 30-day months and will be rounded pursuant to rules of the Municipal Securities Rulemaking Board. All Bonds of the same maturity must bear interest from date of issue until paid at a single, uniform rate. Each rate must be expressed in an integral multiple of 5/100 or 1/8 of 1%.

BOOK-ENTRY-ONLY FORMAT

Unless otherwise specified by the purchaser, the Bonds will be designated in the name of Cede & Co., as nominee for The Depository Trust Company, New York, New York ("DTC"). DTC will act as securities depository for the Bonds, and will be responsible for maintaining a book-entry system for recording the interests of its participants and the transfers of interests between its participants. The participants will be responsible for maintaining records regarding the beneficial interests of the individual purchasers of the Bonds. So long as Cede & Co. is the registered owner of the Bonds, all payments of principal and interest will be made to the depository which, in turn, will be obligated to remit such payments to its participants for subsequent disbursement to the beneficial owners of the Bonds.

PAYING AGENT

The City has selected Bond Trust Services Corporation, Minneapolis, Minnesota ("BTSC"), to act as paying agent (the "Paying Agent"). BTSC and Ehlers are affiliate companies. The City will pay the charges for Paying Agent services. The City reserves the right to remove the Paying Agent and to appoint a successor.

OPTIONAL REDEMPTION

Notice of such call shall be given by sending a notice by registered or certified mail, facsimile or electronic transmission, overnight delivery service or in any other manner required by DTC, not less than 30 days nor more than 60 days prior to the date fixed for redemption to the registered owner of each Bond to be redeemed at the address shown on the registration books.

At the option of the City, the Bonds maturing on or after May 1, 2035 shall be subject to optional redemption prior to maturity on May 1, 2034 or any date thereafter, at a price of par plus accrued interest to the date of optional redemption.

Redemption may be in whole or in part of the Bonds subject to prepayment. If redemption is in part, the selection of the amounts and maturities of the Bonds to be redeemed shall be at the discretion of the City. If only part of the Bonds having a common maturity date are called for redemption, then the City or Paying Agent, if any, will notify DTC of the particular amount of such maturity to be redeemed. DTC will determine by lot the amount of each participant's interest in such maturity to be redeemed and each participant will then select by lot the beneficial ownership interest in such maturity to be redeemed.

DELIVERY

On or about April 23, 2026, the Bonds will be delivered without cost to the winning bidder at DTC. On the day of closing, the City will furnish to the winning bidder the opinion of bond counsel hereinafter described, an arbitrage certification, and certificates verifying that no litigation in any manner questioning the validity of the Bonds is then pending or, to the best knowledge of officers of the City, threatened. Payment for the Bonds must be received by the City at its designated depository on the date of closing in immediately available funds.

LEGAL MATTERS

An opinion as to the validity of the Bonds and the exemption from federal taxation of the interest thereon will be furnished by Quarles & Brady LLP, Bond Counsel to the City ("Bond Counsel"), and will be available at the time of delivery of the Bonds. The legal opinion will be issued on the basis of existing law and will state that the Bonds are valid and binding special obligations of the City; provided that the rights of the owners of the Bonds and the enforceability of the Bonds may be limited by bankruptcy, insolvency, reorganization, moratorium, and other similar laws affecting creditors' rights and by equitable principles (which may be applied in either a legal or equitable proceeding). (See "FORM OF LEGAL OPINION" found in Appendix B of the Preliminary Official Statement).

Quarles & Brady LLP has also been retained by the City to serve as Disclosure Counsel to the City with respect to the Bonds. Although, as Disclosure Counsel to the City, Quarles & Brady LLP has assisted the City with certain disclosure matters, Quarles & Brady LLP has not undertaken to independently verify the accuracy, completeness or sufficiency of the Official Statement or other offering material relating to the Bonds and assumes no responsibility whatsoever nor shall have any liability to any other party for the statements or information contained or incorporated by reference in the Official Statement. Further, Quarles & Brady LLP makes no representation as to the suitability of the Bonds for any investor.

SUBMISSION OF BIDS

Bids must not be for less than \$5,214,000 plus accrued interest on the principal sum of \$5,280,000 from date of original issue of the Bonds to date of delivery. Prior to the time established above for the opening of bids, interested parties may submit a bid as follows:

- 1) Electronically to bondsale@ehlers-inc.com; or
- 2) Electronically via **PARITY** in accordance with this Notice of Sale until 09:30 A.M., Central Time, but no bid will be received after the time for receiving bids specified above. To the extent any instructions or directions set forth in **PARITY** conflict with this Notice of Sale, the terms of this Notice of Sale shall control. For further information about **PARITY**, potential bidders may contact IHS Markit (now part of S&P Global) at <https://ihsmarkit.com/products/municipal-issuance.html> or via telephone (844) 301-7334.

Bids must be submitted to Ehlers via one of the methods described above and must be received prior to the time established above for the opening of bids. Each bid must be unconditional except as to legality. Neither the City nor Ehlers shall be responsible for any failure to receive a submission.

A good faith deposit ("Deposit") in the amount of \$105,600 shall be made by the winning bidder by wire transfer of funds. Such Deposit shall be received by Ehlers no later than two hours after the bid opening time. Wire transfer instructions will be provided to the winning bidder by Ehlers after the tabulation of bids. The City reserves the right to award the Bonds to a winning bidder whose wire transfer is initiated but not received by such time provided that such winning bidder's federal wire reference number has been received by such time. In the event the Deposit is not received as provided above, the City may award the Bonds to the bidder submitting the next best bid provided such bidder agrees to such award. The Deposit will be retained by the City as liquidated damages if the bid is accepted and the Purchaser fails to comply therewith.

The City and the winning bidder who chooses to so wire the Deposit hereby agree irrevocably that Ehlers shall be the escrow holder of the Deposit wired to such account subject only to these conditions and duties: 1) All income earned thereon shall be retained by the escrow holder as payment for its expenses; 2) If the bid is not accepted, Ehlers shall, at its expense, promptly return the Deposit amount to the winning bidder; 3) If the bid is accepted, the Deposit shall be returned to the winning bidder at the closing; 4) Ehlers shall bear all costs of maintaining the escrow account and returning the funds to the winning bidder; 5) Ehlers shall not be an insurer of the Deposit amount and shall have no liability hereunder except if it willfully fails to perform or recklessly disregards, its duties specified herein; and 6) FDIC insurance on deposits within the escrow account shall be limited to \$250,000 per bidder.

No bid can be withdrawn after the time set for receiving bids unless the meeting of the City scheduled for award of the Bonds is adjourned, recessed, or continued to another date without award of the Bonds having been made.

AWARD

The Bonds will be awarded to the bidder offering the lowest interest rate to be determined on a True Interest Cost (TIC) basis. The City's computation of the interest rate of each bid, in accordance with customary practice, will be controlling. In the event of a tie, the sale of the Bonds will be awarded by lot. The City reserves the right to reject any and all bids and to waive any informality in any bid.

BOND INSURANCE

If the Bonds are qualified for any bond insurance policy, the purchase of such policy shall be at the sole option and expense of the winning bidder. Any cost for such insurance policy is to be paid by the winning bidder, except that, if the City requested and received a rating on the Bonds from a rating agency, the City will pay that rating fee. Any rating agency fees not requested by the City are the responsibility of the winning bidder.

Failure of the municipal bond insurer to issue the policy after the Bonds are awarded to the winning bidder shall not constitute cause for failure or refusal by the winning bidder to accept delivery of the Bonds.

CUSIP NUMBERS

The City will assume no obligation for the assignment or printing of CUSIP numbers on the Bonds or for the correctness of any numbers printed thereon, but will permit such numbers to be printed at the expense of the winning bidder, if the winning bidder waives any delay in delivery occasioned thereby.

NOT QUALIFIED TAX-EXEMPT OBLIGATIONS

The Bonds shall not be "qualified tax-exempt obligations" pursuant to Section 265(b)(3) of the Internal Revenue Code of 1986, as amended.

CONTINUING DISCLOSURE

In order to assist the Underwriter (Syndicate Manager) in complying with the provisions of Rule 15c2-12 promulgated by the Securities and Exchange Commission under the Securities Exchange Act of 1934 the City will enter into an undertaking for the benefit of the holders of the Bonds. A description of the details and terms of the undertaking is set forth in Appendix D of the Official Statement.

NEW ISSUE PRICING

The winning bidder will be required to provide, in a timely manner, certain information necessary to compute the yield on the Bonds pursuant to the provisions of the Internal Revenue Code of 1986, as amended, and to provide a

certificate which will be provided by Bond Counsel upon request.

(a) The winning bidder shall assist the City in establishing the issue price of the Bonds and shall execute and deliver to the City at closing an "issue price" or similar certificate satisfactory to Bond Counsel setting forth the reasonably expected initial offering price to the public or the sales price or prices of the Bonds, together with the supporting pricing wires or equivalent communications. All actions to be taken by the City under this Notice of Sale to establish the issue price of the Bonds may be taken on behalf of the City by the City's municipal advisor identified herein and any notice or report to be provided to the City may be provided to the City's municipal advisor.

(b) The City intends that the provisions of Treasury Regulation Section 1.148-1(f)(3)(i) (defining "competitive sale" for purposes of establishing the issue price of the Bonds) will apply to the initial sale of the Bonds (the "competitive sale requirements") because:

- (1) The City shall disseminate this Notice of Sale to potential underwriters in a manner that is reasonably designed to reach potential investors;
- (2) all bidders shall have an equal opportunity to bid;
- (3) the City may receive bids from at least three underwriters of municipal bonds who have established industry reputations for underwriting new issuances of municipal bonds; and
- (4) the City anticipates awarding the sale of the Bonds to the bidder who submits a firm offer to purchase the Bonds at the highest price (or lowest interest cost), as set forth in this Notice of Sale.

Any bid submitted pursuant to this Notice of Sale shall be considered a firm offer for the purchase of the Bonds, as specified in this bid.

(c) If all of the requirements of a "competitive sale" are not satisfied, the City shall advise the winning bidder of such fact prior to the time of award of the sale of the Bonds to the winning bidder. In such event, any bid submitted will not be subject to cancellation or withdrawal and the City agrees to use the rule selected by the winning bidder on its bid form to determine the issue price for the Bonds. On its bid form, each bidder must select one of the following two rules for determining the issue price of the Bonds: (1) the first price at which 10% of a maturity of the Bonds (the "10% test") is sold to the public as the issue price of that maturity or (2) the initial offering price to the public as of the sale date as the issue price of each maturity of the Bonds (the "hold-the-offering-price rule").

(d) If all of the requirements of a "competitive sale" are not satisfied and the winning bidder selects the hold-the-offering-price rule, the winning bidder shall (i) confirm that the underwriters have offered or will offer the Bonds to the public on or before the date of award at the offering price or prices (the "initial offering price"), or at the corresponding yield or yields, set forth in the bid submitted by the winning bidder and (ii) agree, on behalf of the underwriters participating in the purchase of the Bonds, that the underwriters will neither offer nor sell unsold Bonds of any maturity to which the hold-the-offering-price rule shall apply to any person at a price that is higher than the initial offering price to the public during the period starting on the sale date and ending on the earlier of the following:

- (1) the close of the fifth (5th) business day after the sale date; or
- (2) the date on which the underwriters have sold at least 10% of that maturity of the Bonds to the public at a price that is no higher than the initial offering price to the public.

The winning bidder will advise the City promptly after the close of the fifth (5th) business day after the sale whether it has sold 10% of that maturity of the Bonds to the public at a price that is no higher than the initial offering price to the public.

The City acknowledges that in making the representation set forth above, the winning bidder will rely on:

(i) the agreement of each underwriter to comply with requirements for establishing issue price of the Bonds, including, but not limited to, its agreement to comply with the hold-the-price rule, if applicable to the Bonds, as set forth in an agreement among underwriters and the related pricing wires,

(ii) in the event a selling group has been created in connection with the initial sale of the Bonds to the public, the agreement of each dealer who is a member of the selling group to comply with the requirements for establishing issue price of the Bonds, including, but not limited to, its agreement to comply with the hold-the-offering-price rule, if applicable to the Bonds, as set forth in a selling group agreement and the related pricing wires, and

(iii) in the event that an underwriter or dealer who is a member of the selling group is a party to a third-party distribution agreement that was employed in connection with the initial sale of the Bonds to the public, the agreement of each broker-dealer that is party to such agreement to comply with the requirements for establishing issue price of the Bonds, including, but not limited to, its agreement to comply with the hold-the-offering-price rule, if applicable to the Bonds, as set forth in the third-party distribution agreement and the related pricing wires. The City further acknowledges that each underwriter shall be solely liable for its failure to comply with its agreement regarding the requirements for establishing issue price rule of the Bonds, including, but not limited to, its agreement to comply with the hold-the-offering-price rule, if applicable to the Bonds, and that no underwriter shall be liable for the failure of any other underwriter, or of any dealer who is a member of a selling group, or of any broker-dealer that is a party to a third-party distribution agreement to comply with its corresponding agreement to comply with the requirements for establishing issue price of the Bonds, including, but not limited to, its agreement to comply with the hold-the-offering-price rule as applicable to the Bonds.

(e) If all of the requirements of a "competitive sale" are not satisfied and the winning bidder selects the 10% test, the winning bidder agrees to promptly report to the City, Bond Counsel and Ehlers the prices at which the Bonds have been sold to the public. That reporting obligation shall continue, whether or not the closing date has occurred, until either (i) all Bonds of that maturity have been sold or (ii) the 10% test has been satisfied as to each maturity of the Bonds, provided that, the winning bidder's reporting obligation after the Closing Date may be at reasonable periodic intervals or otherwise upon request of the City or bond counsel.

(f) By submitting a bid, each bidder confirms that:

(i) any agreement among underwriters, any selling group agreement and each third-party distribution agreement (to which the bidder is a party) relating to the initial sale of the Bonds to the public, together with the related pricing wires, contains or will contain language obligating each underwriter, each dealer who is a member of the selling group, and each broker-dealer that is party to such third-party distribution agreement, as applicable, to:

(A) report the prices at which it sells to the public the unsold Bonds of each maturity allocated to it, whether or not the Closing Date has occurred until either all securities of that maturity allocated to it have been sold or it is notified by the winning bidder that either the 10% test has been satisfied as to the Bonds of that maturity, provided that, the reporting obligation after the Closing Date may be at reasonable periodic intervals or otherwise upon request of the City or bond counsel.

(B) comply with the hold-the-offering-price rule, if applicable, in each case if and for so long as directed by the winning bidder and as set forth in the related pricing wires, and

(ii) any agreement among underwriters or selling group agreement relating to the initial sale of the Bonds to the public, together with the related pricing wires, contains or will contain language obligating each underwriter, each dealer who is a member of the selling group and each broker dealer that is a party to a third-party distribution agreement to be employed in connection with the initial sale of the Bonds to the public to require each broker-dealer that is a party to such third-party distribution agreement to:

(A) to promptly notify the winning bidder of any sales of Bonds that, to its knowledge, are made to a purchaser who is a related party to an underwriter participating in the initial sale of the Bonds to the public (each such term being used as defined below), and

(B) to acknowledge that, unless otherwise advised by the underwriter, dealer or broker-dealer, the winning bidder shall assume that each order submitted by the underwriter, dealer or broker-dealer is a sale to the public.

(g) Sales of any Bonds to any person that is a related party to an underwriter participating in the initial sale of the Bonds to the public (each term being used as defined below) shall not constitute sales to the public for purposes of this Notice of Sale. Further, for purposes of this Notice of Sale:

- (i) "public" means any person other than an underwriter or a related party,
- (ii) "underwriter" means (A) any person that agrees pursuant to a written contract with the City (or with the lead underwriter to form an underwriting syndicate) to participate in the initial sale of the Bonds to the public and (B) any person that agrees pursuant to a written contract directly or indirectly with a person described in clause (A) to participate in the initial sale of the Bonds to the public (including a member of a selling group or a party to a third-party distribution agreement participating in the initial sale of the Bonds to the public),
- (iii) a purchaser of any of the Bonds is a "related party" to an underwriter if the underwriter and the purchaser are subject, directly or indirectly, to (A) more than 50% common ownership of the voting power or the total value of their stock, if both entities are corporations (including direct ownership by one corporation of another), (B) more than 50% common ownership of their capital interests or profits interests, if both entities are partnerships (including direct ownership by one partnership of another), or (C) more than 50% common ownership of the value of the outstanding stock of the corporation or the capital interests or profit interests of the partnership, as applicable, if one entity is a corporation and the other entity is a partnership (including direct ownership of the applicable stock or interests by one entity of the other), and
- (iv) "sale date" means the date that the Bonds are awarded by the City to the winning bidder.

PRELIMINARY OFFICIAL STATEMENT

Bidders may obtain a copy of the Official Statement relating to the Bonds prior to the bid opening by request from Ehlers at www.ehlers-inc.com by connecting to the Bond Sales link. The Underwriter (Syndicate Manager) will be provided with an electronic copy of the Final Official Statement within seven business days of the bid acceptance. Up to 10 printed copies of the Final Official Statement will be provided upon request. Additional copies of the Final Official Statement will be available at a cost of \$10.00 per copy.

Information for bidders and bid forms may be obtained from Ehlers at 3001 Broadway Street, Suite 320, Minneapolis, Minnesota 55413, Telephone (651) 697-8500.

By Order of the Common Council

Susan Caine, City Clerk
City of Columbus, Wisconsin

BID FORM

The Common Council
City of Columbus, Wisconsin (the "City")

April 8, 2026

RE: \$5,280,000* Electric and Waterworks System Revenue Bonds, Series 2026A (the "Bonds")
DATED: April 23, 2026

For all or none of the above Bonds, in accordance with the Notice of Sale and terms of the Global Book-Entry System (unless otherwise specified by the Purchaser) as stated in this Official Statement, we will pay you \$_____ (not less than \$5,214,000) plus accrued interest to date of delivery for fully registered Bonds bearing interest rates and maturing in the stated years as follows:

_____ % due	2027	_____ % due	2034	_____ % due	2041
_____ % due	2028	_____ % due	2035	_____ % due	2042
_____ % due	2029	_____ % due	2036	_____ % due	2043
_____ % due	2030	_____ % due	2037	_____ % due	2044
_____ % due	2031	_____ % due	2038	_____ % due	2045
_____ % due	2032	_____ % due	2039	_____ % due	2046
_____ % due	2033	_____ % due	2040		

The City reserves the right to increase or decrease the principal amount of the Bonds on the day of sale, in increments of \$5,000 each. Increases or decreases may be made in any maturity. If any principal amounts are adjusted, the purchase price proposed will be adjusted to maintain the same gross spread per \$1,000.

All Bonds of the same maturity must bear interest from date of issue until paid at a single, uniform rate. Each rate must be expressed in an integral multiple of 5/100 or 1/8 of 1%.

A good faith deposit ("Deposit") in the amount of \$105,600 shall be made by the winning bidder by wire transfer of funds. Such Deposit shall be received by Ehlers no later than two hours after the bid opening time. Wire transfer instructions will be provided to the winning bidder by Ehlers after the tabulation of bids. The City reserves the right to award the Bonds to a winning bidder whose wire transfer is initiated but not received by such time provided that such winning bidder's federal wire reference number has been received by such time. In the event the Deposit is not received as provided above, the City may award the Bonds to the bidder submitting the next best bid provided such bidder agrees to such award. The Deposit will be retained by the City as liquidated damages if the bid is accepted and the Purchaser fails to comply therewith. We agree to the conditions and duties of Ehlers and Associates, Inc., as escrow holder of the Deposit, pursuant to the Notice of Sale. This bid is for prompt acceptance and is conditional upon delivery of said Bonds to The Depository Trust Company, New York, New York, in accordance with the Notice of Sale. Delivery is anticipated to be on or about April 23, 2026.

This bid is subject to the City's agreement to enter into a written undertaking to provide continuing disclosure under Rule 15c2-12 promulgated by the Securities and Exchange Commission under the Securities Exchange Act of 1934 as described in the Official Statement for the Bonds.

We have received and reviewed the Official Statement, and any addenda thereto, and have submitted our requests for additional information or corrections to the Final Official Statement. As Underwriter (Syndicate Manager), we agree to provide the City with the reoffering price of the Bonds within 24 hours of the bid acceptance.

This bid is a firm offer for the purchase of the Bonds identified in the Notice of Sale, on the terms set forth in this bid form and the Notice of Sale, and is not subject to any conditions, except as permitted by the Notice of Sale.

By submitting this bid, we confirm that we are an underwriter and have an established industry reputation for underwriting new issuances of municipal bonds. YES: ___ NO: ___.

If the competitive sale requirements are not met, we elect to use either the: ___ 10% test, or the ___ hold-the-offering-price rule to determine the issue price of the Bonds.

Account Manager: _____ By: _____

Account Members:

Award will be on a true interest cost basis. According to our computations (the correct computation being controlling in the award), the total dollar interest cost (including any discount or less any premium) computed from April 23, 2026 of the above bid is \$_____ and the true interest cost (TIC) is _____%.

The foregoing offer is hereby accepted by and on behalf of the Common Council of the City of Columbus, Wisconsin, on April 8, 2026.

By: _____ By: _____

Title: _____ Title: _____